249170

JPRS-UPS-84-065

# **USSR** Report

POLITICAL AND SOCIOLOGICAL AFFAIRS

PEOPLES OF ASIA AND AFRICA
No. 2, March-April 1984

Approved for Public Release
Distribution Unlimited

DTIC QUALITY INSPECTED &

19990813 120

**FBIS** 

FOREIGN BROADCAST INFORMATION SERVICE

REPRODUCED BY
NATIONAL TECHNICAL
INFORMATION SERVICE
U.S. DEPARIMENT OF COMMERCE
SPRINGFIELD, VA. 22161

96 AD5 JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

#### PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service (NTIS), Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in <u>Government Reports Announcements</u> issued semimonthly by the NTIS, and are listed in the <u>Monthly Catalog of U.S. Government Publications</u> issued by the Superintendent of Documents, U.S. <u>Government Printing Office</u>, Washington, D.C. 20402.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

Soviet books and journal articles displaying a copyright notice are reproduced and sold by NTIS with permission of the copyright agency of the Soviet Union. Permission for further reproduction must be obtained from copyright owner.

## USSR REPORT

## POLITICAL AND SOCIOLOGICAL AFFAIRS

## PEOPLES OF ASIA AND AFRICA

No 2, March-April 1984

Except where indicated otherwise in the table of contents the following is a complete translation of the Russian-language bimonthly journal NARODY AZII I AFRIKI, published in Moscow by the Oriental Studies Institute and the Africa Institute of the USSR Academy of Sciences.

### CONTENTS

English Summaries of Major Articles (pp 225-229)	1
Information on Authors	7
Communication on the CPSU Central Committee Plenum (p 3) (not translated)	
Konstantin Ustinovich Chernenko (p.5) (not translated)	
Appeal of the CPSU Central Committee, USSR Supreme Soviet and USSR Council of Ministers to the Communist Party and the Soviet People (pp 7-8) (not translated)	÷
Noncommunist Character of Third World "Democrats" Stressed (pp 9-18) (R. A. Ul'yanovskiy)	9
Dynamics of Real Wages of Industrial Proletariat in Developing Countries (pp 19-29) (Ye. S. Popov) (not translated)	
Mecca-Based Group Seeks Religious Basis for Modern Islamic Life (pp 30-39)	
(R. M. Sharipova, T. P. Tikhonova)	21
Opponents of a Political Settlement of the Afghan Situation (pp 40-50) (I. D. Savel'yev)	34
ITT _ UCC	'D _ 35

Officialdom in Tropical Africa (pp 51-61) (V. L. Chertkov) (not translated)	
Family Problems Related to the Illness and Death of and Prayer for Parents in Japan (pp 62-70) (I. A. Latyshev) (not translated)	
Historical Manuscripts and Their Readers in the Countries of the Medieval Muslim East (pp 71-80) (T. I. Sultanov, Leningrad) (not translated)	
Damdiny Sukhe-Bator (pp 81-87) (V. I. Titkov) (not translated)	
State and Law in the Ancient Orient (pp 88-110) (V. A. Yakobson, Leningrad) (not translated)	
Problems of Establishing an Arab Financial Center (pp 111-118) (A. M. Sarchev)	47
<pre>Immigration in the Republic of South Africa in the 20th Century (pp 119-124)</pre>	
Traditional Chinese Book and Its Terminology (pp 125-130) (N. A. Chervova) (not translated)	٠
1983 World Orientalist Congress: "Contemporary" Themes Stressed (pp 131-137) (L. B. Alayev)	57
Geographic Society's 1973-1983 Research on Asia, Africa Surveyed (pp 138-141)  (B. A. Val'skaya)	64
Study in Czechoslovakia of Tropical African Countries (pp 142-145) (V. Klima, Prague) (not translated)	
Institute Holds Conference on Turkey Since Ataturk (pp 146-148)	67
Concept of Peasant 'Moral Economics' and Its Criticism (pp 156-170) (A. I. Fursov) (not translated)	
Studies by Novosibirsk Orientalists (pp 171-175) (L. S. Vasil'yev) (not translated)	
Book Stresses State Role in Third World Capitalist Industrialization (pp 176-181) (G. I. Chufrin, G. K. Shirokov and N. A. Cheshkov)	70
Collection of Articles on Third World Economic Geography Reviewed (pp 181-184)	, 0
(G. A. Lashova)	77

Russian Classics in Oriental Countries (pp 185-192) (L. I. Saraskina, S. D. Serebryanyy) (not translated)	
Primitive Holidays and Mythology (pp 193-197) (V. Ya. Petrukhin, L. A. Abramyan) (not translated)	
Idrian N. Resnick. The Long Transition. Building Socialism in Tanzania (pp 198-203) (V. G. Khoros) (not translated)	
U. S. Book on Turkish Income Distribution Reviewed (pp 204-208) (G. I. Starchenkov)	82
State Administration for the Protection and Study of Monuments of Material Culture (Chief Compiler). Encyclopedic Dictionary of Sights in China (in Chinese) (pp 208-212)  (S. Kuchera) (not translated)	
Book on Sudanese Socioeconomic Problems Since Independence Reviewed (pp 213-215)  (N. K. Lebedev)	87
M. Newitt. Portugal in Africa. Last Hundred Years (pp 216-218) (N. M. Zotov) (not translated)	
B. P. Pal'vanova. Emancipation of Muslim Women. Efforts To Emancipate Women in the Soviet East (pp 219-220) (R. Kh. Aminova) (not translated)	
List of Main Scientific Works by Doctor of Economic Sciences Professor A. I. Dinkevich (On the Occasion of His 60th Birthday) (pp 221-223) (not translated)	
Information on Authors and Summary of Main Articles in English	

#### PUBLICATION DATA

English title : PEOPLES OF ASIA AND AFRICA No 2, March-April 1984 Russian title : NARODY AZII I AFRIKI Author (s) Editor (s) : A. A. Kutsenkov Izdatel'stvo Nauka Publishing House Place of Publication Moscow Date of Publication Signed to press 9 April 1984 Copies : 3,580 COPYRIGHT : "Narody Azii i Afriki" Glavnaya redaktsiya vostochnoy literatury, 1984.

#### ENGLISH SUMMARIES OF MAJOR ARTICLES

Moscow NARODY AZII I AFRIKI in Russian No 2, Mar-Apr 84 pp 225-229

National and Revolutionary Democracy: Ways of Evolution

#### R. A. Ulyanovskiy

Analyzing the struggle of the national and revolutionary democracy of Afro-Asian countries of socialist orientation, the article clarifies the essence of these notions. It is noted that these notions per se do not possess an absolute meaning from the standpoint of their class contents. In each individual case they require a concrete analysis, a clear-cut understanding of their particular class and historical meaning. The comparison of the revolutionary democracy of Afro-Asian countries with Russian revolutionary democracy is not an absolutely correct one, for it disregards their differing social and class basis and goals of their struggles. It also underestimates the immanent contradictions of populism and ignores the evolution of Russian populism during the time of bourgeois-democratic and socialist revolutions.

The article deals with the evolution of the revolutionary forces of liberated countries, the transformation of the national democracy into the revolutionary one. The stages of this evolution are related to the noncapitalist development, to the coming to the forefront of the "second echelons" of the national and revolutionary democracy. The reforms put through by the revolutionary democracy in the mid-1970s dispel the doubts concerning the feasibility of socialist orientation for Afro-Asian countries.

The revolutionary democracy of the new type is getting closer to the scientific socialism both in theory and practice. This trend is, no doubt, of great significance and shows prospects for the development of the revolutionary democracy of some Afro-Asian states. At the same time, the main thing is to concentrate on the resolution of actual problems of the development along the lines of socialist orientation.

Real Wage Dynamics of Industrial Proletariat of Developing Countries

#### Ye. S. Popov

The article attempts to ascertain the general trends of the movement of real wages in the industry of developing countries in the postwar period.

Unlike the industrial nations, the invariable and generally considerable growth in the productivity of labor has not been accompanied by an analogous change in wages in the developing parts of the globe. A sporadic growth in the real wages of industrial workers was observed in most of the African states in the 1950s and 1960s. In the 1970s the wage level was stabilized. In Asia the wages had reached the prewar level by the mid-1950s but remained unchanged almost everywhere subsequently. Since the 1950s Latin America has witnessed more often than not a gradual and marked increase in real wages.

In the last analysis, these variations are accounted for by a differing economic level of development and specific features of the accelerated, overtaking growth of each region. So far as Africa is concerned, initially a formation of a stable, adapted to the industrial structure productive urban proletariat was of top priority. The evident lagging behind of the industrial real wages curve, as compared to the labor productivity curve in Asia, was due in the first instance to the inflationary pressure, which, unlike the situation in Latin America, is engendered rather by the low level of development and stagnant agriculture, than by the growing expenses of the state on production. The intensive accumulation, realized in the factory industry at the expense of wages, has its effect too. Over the past decade and a half, these two factors have been more and more felt in Africa, preventing thereby the augmenting of real wages. In Latin America the working class struggle has been more successful owing to such economic preconditions as a higher initial level of agriculture and savings and a higher rate of development within the agrarian sector.

Recently, the growing disbalance of the labor market, mass poverty, dualization of toilers income and progressing inflation have been becoming ever more evident. All these factors are bringing about the government policy of restraining wages. The crisis situation in the world capitalist economy has led to an almost universal decline in real wages in liberated countries after 1973. However, by and large by the early 1980s it got to the same level.

Despite the fact that some countries and regions experience specific difficulties, there is every reason to presume that in the foreseeable future the general trends of the movement of real wages will undergo substantial modifications.

League of Islamic World: From Traditionalism to Reformation

#### R. M. Sharipova, T. P. Tikhonova

The article deals with the present-day evolution of the traditionalist wing of the Moslem theology, the largest center of which is the League of the Islamic World, based in Mecca. The departure from the traditionalist ideas, typical of the position of the ideologists of the League on many issues, is accounted for by its new role, that of a "mastermind" of the movement of "Islamic solidarity" and its efforts to shape a social ideal which would be acceptable to the entire "world of Islam."

Opponents of Political Settlement of the Situation Around Afghanistan

#### I. D. Savelyev

The article analyzes the position of the United States, its Western allies, conservative Moslem states and China on the Afghan problem. These are the main states, which obstruct the political settlement of this problem. The article notes that although the indirect Afghan-Pakistani talks have been started in Geneva through the personal representative of the UN secretary general, they did not bring about any substantial change in the approach to the Afghan problem. The main reason for this is the continuation of the undeclared war against the Democratic Republic of Afghanistan, the open American support of the Afghan counterrevolutionary bands, which was stepped up after coming to power of the Reagan administration.

Analyzing the U.S. policy toward the Democratic Republic of Afghanistan, the article notes the American interest in maintaining the so-called Afghan question unresolved in order to realize the U.S. strategic conceptions and apply pressure on Asian states. The USA has been assigning a special role to Pakistan in escalating tension regarding Afghanistan. It tries to keep it as a main base for subversive activities in the Democratic Republic of Afghanistan and to turn into a kind of a Trojan horse in the Islamic world.

The administration of Zia ul-Huq on its part plans to neutralize the opposition, enhance the Armed Forces and secure the loyalty of the Army at the expense of American aid. The anti-Afghan policy of Islamabad is for the most part accounted for by its wish to receive American aid.

Analyzing the position of the West European states on the Afghan problem, the article points out the provocative nature of the proposal of the European Economic Community countries to "neutralize" Afghanistan. The article discusses the positions of England, France and the FRG on the settlement of "the Afghan crisis." It also touches upon the position of the Organization of the Islamic Conference.

The leaders of the People's Republic of China are invariably opposed to the resolution of the Afghan issue. Their long-term global strategy is to keep up tension.

In conclusion, the article notes that the real and effective ways of the solution to the Afghan problem are offered in the statements of the Afghan and Soviet leaders.

Bureaucracy of Tropical Africa

#### V. L. Chertkov

The article examines the formation and social role of bureaucracy as a social group of professional state employees in countries of capitalist orientation. It estimates the size and dynamics of bureaucracy of various categories and characterizes the qualitative changes in the bureaucratic structure, the remuneration, privileges and standard of education of education of its members.

The article deals with the budget expenses on the state apparatus. It pays attention to the genesis of the African bureaucracy, its social origin, the impact of the Western education and propaganda, on the one hand, and the traditional factors, on the other, upon its social psychology and values. It also touches upon the role of the ethnic factor.

The article discusses the Africanization of the state apparatus and its implications. It analyzes the social differentiation and notes that the privileges enjoyed by the upper strata are safeguarded by law, while the position of petty employees is getting worse with each passing year. The fact that the standard of living of the bulk of state employees and that of the workers is getting closer is a precondition for a joint struggle for their rights.

The article highlights the role of bureaucracy in the system of power relations and the bureaucratization of politics. The latter has an adverse effect upon the economic development and impedes the attainment of genuine independence. At the same time, the article maintains, a part of the bureaucracy tends to get involved into the struggle to oppose reaction, expand the social base of the democratic movement and achieve a complete decolonization in all walks of life.

Concerns of Japanese Family Regarding Illness, Death and Burial of Parents

#### J. A. Latyshev

On the basis of the latest Japanese statistics and broad-ranging opinion polls the article examines the transformation of relations between children and their old-age and ailing parents. It notes that consideration toward and care of old-age parents are gradually diminishing and points out financial problems a Japanese family faces when confronted with illness, medical treatment and death.

The article describes the way the burial is arranged in Japan today, and the way people resolve problems related to the passing away of relatives. The article analyzes authentic Japanese customs and rituals which are observed during burial ceremonies.

It also highlights traditional Japanese beliefs related to the cult of the dead parents and ancestors and changes in the ideology of the young generation leading to neglecting the commandments of this cult.

Historical Manuscripts and Their Readers in Medieval Moslem East

#### T. I. Sultanov

The article raises an interesting but so far uninvestigated question regarding the dissemination of historical manuscripts in the Moslem East during the medieval period. It discusses the reason and degree of its popularity in the Middle Ages and later and examines criteria of this popularity.

The article grapples with this problem analyzing eight well-known tracts of the late medieval period, such as Djami at-Tawarikh of Rashid ad-Din, "Zafarnamah" of Sharaf ad-Din Ali Yazdi, "Babur-namah," "Rouzat as-Safa" of Mirkhwand and "Tarikh-i Rashid" of Mirza Haidar Doughlat, etc. Tracing the "literary fate" of these manuscripts, the article takes into consideration their circulation, the location and time of the copy made, the assessment of the tract by forthcoming authors which found its expression in its being modified, abridged, supplemented or translated into other Oriental languages.

State and Law in Ancient East

The investigation into the genesis and early stages of the evolution of the state and the law is a sine qua non for an adequate understanding of the ancient, medieval and modern East.

Nonetheless, the respective Soviet oriental studies have not acquired so far (for obvious objective and subjective reasons) either the necessary standard, or the scope. In order to draw attention to this problem and the main trends of study the editorial board of the "Peoples of Asia and Africa" has asked V. A. Yakobson, an expert on the law in the ancient East, to write a review article to be discussed by a group of oriental scholars of various disciplines.

According to V. A. Yakobson, the law is a kind of a self-portrait of the society. It portrays the society not only as it is in actual fact but also as it wants to be, i.e., the ideal of a given society is formulated in its law. The student of documents of the oriental law has to be equally well-grounded in the law and the oriental philology. Therefore, an oriental scholar, specializing in the study of the law, has to be master of both.

- V. A. Yakobson singles out the following aspects in the study of the law:
- 1) The rise of the law. The first enactments of the law signify an objective self-determination of the society, as an organized body of citizens. The society, however, regards this act rather as a restitution of ancient customs than an innovation.
- 2) The description of the ancient law, which has to be made in terms of modern theories of the law. It is important, however, to avoid modernization of the terminology while describing the systems of law.
- 3) The relationship of the law, ethics and religion. It is suggested that initially the law was to a considerable extent independent of religion.

The article also raises a number of issues concerning the state, such as 1) the nature of kinship (the term "oriental despotism" is inadequate); 2) the problem of the deification of the king; 3) the role of the king in the administration of justice. It is suggested that the king has not been a supreme judge.

The third group of problems, touched upon by the article, refers to the administration of justice and of the court of law. The court is older than

the state and the law and retains its archaic features for a long time, the principal of them being the competitive nature of the lawsuit. It is argued that the transition from the competitive lawsuit to the official inquiry marks a transition from the ancient society to the feudal one.

The problems raised in the review article are summed up in the questionnaire and serve as a basis for the discussion, which is to be continued in the next number.

COPYRIGHT: "Narody Azii i Afriki"

Glavnaya redaktsiya vostochnoy literatury, 1984

CSO: 1812/211-E

#### INFORMATION ON AUTHORS

Moscow NARODY AZII I AFRIKI in Russian No 2, Mar-Apr 84 p 220

Ulyanovskiy, Rostislav Aleksandrovich, doctor of economic sciences, professor.

Popov, Yemel'yan Savel'yevich, candidate of economic sciences, scientific associate, USSR AN [Academy of Sciences] International Worker's Movement Institute.

Sharipova, Raisa Malikovna, candidate of historical sciences, scientific associate, USSR AN Oriental Studies Institute.

Tikhonova, Tat'yana Pavlovna, candidate of historical sciences, scientific associate, USSR AN Oriental Studies Institute.

Chertkov, Vladimir Leonidovich, candidate of historical sciences, scientific associate, USSR AN Africa Institute.

Latyshev, Igor' Aleksandrovich, doctor of historical sciences, professor, department head, USSR AN Oriental Studies Institute.

Sultanov, Tursun Ikramovich, candidate of historical sciences, scientific associate, USSR AN Oriental Studies Institute, Leningrad Department.

Titkov, Vasiliy Ivanovich, candidate of economic sciences, member of the USSR Union of Journalists.

Yakobson, Vladimir Aronovich, candidate of historical sciences, scientific associate, USSR AN Oriental Studies Institute, Leningrad Department.

Sarchev, Aleksandr Mikhaylovich, candidate of economic sciences, scientific associate, USSR AN World Economics and International Relations Institute.

Sokolov, Boris Vadimovich, postgraduate student, USSR AN General History Institute.

Chervova, Nonna Alekseyevna, candidate of art studies, scientific associate, USSR AN Oriental Studies Institute.

Alayev, Leonid Borisovich, doctor of historical sciences, scientific associate, USSR AN Oriental Studies Institute.

Val'skaya, Blyuma Abramovna, secretary of the USSR Geographic Society Oriental Commission.

Klima, Vladimir, candidate of historical sciences, scientific associate, Czechoslovak SSR AN Oriental Studies Institute.

Furgov, Andrey Il'ich, scientific associate, USSR AN Scientific Information on Social Sciences Institute.

Vasil'yev, Leonid Sergeyevich, doctor of historical sciences, scientific associate, USSR AN Oriental Studies Institute.

COPYRIGHT: "Narody Azii i Afriki"

Glavnaya redaktsiya vostochnoy literatury, 1984

5003

CSO: 1807/229

NONCOMMUNIST CHARACTER OF THIRD WORLD 'DEMOCRATS' STRESSED

Moscow NARODY AZII I AFRIKI in Russian No 2, Mar-Apr 84 pp 9-18

[Article by R. A. Ul'yanovskiy: "On National and Revolutionary Democracy: Ways of Evolution"]

[Text] The national democratic states (Arab Republic of Egypt, Burma, Ghana, Algeria, Mali, Syria and others) appeared in the course of the revolutionary process which developed in Asia and Africa between the 1950s and 1960s. The final document of the Moscow International Conference of Representatives of Communist and Worker Parties (1960) formulated the concept of the noncapitalist way of development of countries liberated from colonial dependence. This was a daring theoretical conclusion, bearing in mind that only the very first steps were being taken along that way at that time. One of the main trends of national and social progress was anticipated at the embryonic stage of this process. At that time Marxist publications pointed out that the movement of bypassing capitalism would obviously be a lengthy process which would most likely take more than 1 decade.

More than 20 years have passed since, years during which mankind gained tremendous historical experience. It is in the light of this experience that we must refine the basic concepts used in Marxist social science in discussing the concept of the noncapitalist way of development and socialist orientation. However, as was the case 20 years ago in the elaboration of the concept, today as well in its further development we must rely on the practice of the revolutionary process, for despite the entire originality of the contemporary stage in global historical developments and the exceptional opportunities which the conversion of the socialist system into the leading force of this development creates for revolution and progress in the former colonies, the evolution of Asian and African countries is also determined by the effect of a number of specific internal factors and local social forces. It is a question of a problem long-formulated in theory but always new in practice of the general and the specific and the correlation between the universal laws of social development and even national concrete historical specifics.

A historical comparison can contribute a great deal to the study of one of the basic problems in socialist orientation: revolutionary democracy. It is a problem of guiding the revolutionary process and organizing the political system. Naturally, it has drawn the particular attention of researchers. As applied to a socialist orientation, the concept of "revolutionary democracy is used quite extensively but, unfortunately, not always correctly, for which

reason it is not always convincing. By its very nature this concept is quite loose and if used without a clarification of its meaning in each specific case, it is possible, it seems to us, to make errors of a theoretical nature and, consequently, reach inaccurate political conclusions. Furthermore, the meaning of the concept of "revolutionary democracy" must be agreed upon in advance. It must be defined, for in itself it is not sufficiently definite. It is logically possible to provide an overall generic interpretation of revolutionary democracy. "To be a democrat means to consider in fact the interests of the majority rather than the minority of the people; to be a revolutionary means to destroy everything that is harmful and obsolete in a most decisive, most merciless manner," V. I. Lenin wrote. This is a universal definition which indicates the progressive nature of revolutionary democracy and its radicalism. One cannot be a democrat without reflecting the will and interests of the majority. One cannot be a revolutionary without being a radical. However, the concept does not contain a class-oriented characterization of revolutionary democracy. The class, political, historical and party characterization of this definition must be concretized. That is precisely why, in the period between February and October 1917, when Russian "revolutionary democracy," which pitted itself against the revolutionary movement of the proletariat and was experiencing, it seemed then, a period of blossoming, V. I. Lenin opposed the thoughtless use of this concept and demanded in each specific case a clear interpretation of its class and historical meaning. "Is a Marxist allowed to forget that capitalists as well have repeatedly been 'revolutionary democrats' in all countries, such as England in 1649, France in 1789, 1830, 1848 and 1870, and Russia in February 1917? Have you in fact forgotten that we must distinguish among the revolutionary democracy of capitalists, the petite bourgeoisie and the proletariat? Is not the entire history of all the revolutions I listed reduced to class differences within 'revolutionary democracy'?"<sup>2</sup> The Leninist formulation of the question was the following: not revolutionary democracy in general but revolutionary democracy of capitalists, of the petite bourgeoisie (including the peasantry), and the proletariat. This strictly scientific and entirely historical definition embraces the struggle of classes within and around revolutionary democracy.

The development of Soviet historical science included a period during which the extent, wealth and dialectical fullness of Lenin's concept of revolutionary democracy were not always taken into consideration. Individual cases -- the great Russian revolutionary democrats of the 1840s-1860s and the revolutionary populism of the 1870s-1880s--were considered standards of revolutionary democracy. Naturally, this was no random choice. These cases were indeed among the best and most consistent revolutionary and democratic examples of revolutionary democracy and the peak of theoretical and practical revolutionism in Russia in the mid-19th century, under circumstances in which the defeat of the 1848 revolutions in Western Europe had raised the question of shifting the center of the world's revolutionary process to the East, to Russia. However, this was only the Russian rather than the entire revolutionary democracy and no general conclusions should have been drawn on the basis of this chronologically and geographically limited basis. Furthermore, a certain one-sidedness was allowed in the interpretation of this great movement which had made an invaluable contribution to the revolutionary movement

in Russia, leading to its idealization. The only considered feature was the period of its ascending development. Its mission, which consisted of objective and subjective preparations of the soil for the acceptance of Marxism in Russia, was heavily emphasized. No attention was paid to the features confirming essential differences between Marxism and the forerunners and creators of Russian populism, for which reason its internal contradictoriness -- classbased, theoretical and political -- was underestimated. Only one path of development was considered legitimate -- from revolutionary democracy to Marxism -- and the fact that its creators had not followed it was explained with the nature of the age in which they lived, their insufficient familiarity with Marxism, etc. However, another path existed in the evolution of populism-the path of decline and descent, a path leading not toward Marxism but away from and against Marxism. Let us not forget that this was precisely the path followed by most populists in Russia. These problems remained insufficiently studied in Soviet literature for a long time. Naturally, the concept of "revolutionary democracy" was not used in the case of these populist currents which opposed Marxism.

All three Russian revolutions were accompanied by anti-Marxist trends which had a certain revolutionary potential and support among the masses, as indicated by the alliance between the bolsheviks with the left-wing S.R., treacherously broken by the latter in 1918. For almost half a century, from the 1890s to 1918, Russian revolutionary democracy largely developed in a non-Marxist direction. This entire process provided tremendous historical experience, which can hardly be ignored in considering the fate of contemporary revolutionary democracy. The development of revolutionary democracy through the fire of the Russian revolutions was not merely a retreat from the ideas of its founders. On the contrary, this evolution was the result of the dogmatic, the uncritical attitude adopted toward some of the populist ideas under different historical circumstances, which deprived populism of its truly revolutionary nature. This was a "legacy" which had to be abandoned in the interest of the revolution and had become a burden leading the revolutionary democrats into the swamp of bourgeois-reformist policy. Lenin and Plekhanov wrote critical works on the subject of this legacy and its keepers.

However, this path of development, the main features of which had been repeatedly duplicated in a number of Asian and African countries by revolutionary democrats leaning toward a conciliation with the national bourgeoisie and imperialism, was sometimes groundlessly ignored in characterizing revolutionary democracy in connection with a noncapitalist way or a socialist development orientation. Excessively optimistic researchers insisted on seeing in the personalities of Nasser or Ben Bella a Chernyshevskiy who would change into a Plekhanov. Occasionally wishes were presented as reality.

Yet it was not only the theoretical possibility of the advance of revolutionary democrats in the opposite direction but the essentially different historical situation and class structure in the liberated countries which should have cautioned against such expectations. The Russian revolutionary democrats of the 1840s-1860s expressed the interests of the peasantry and were irreconcilable enemies of serfdom. They were already disappointed by capitalism and consciously rejected the prospect of a bourgeois development

in Russia. They were the offspring of the social nature of Russia, of the class division within Russian society. They represented the working people, the peasants above all and, among them, the poor, and their entire political line was aimed against landowners and the bourgeoisie. In Asia and Africa of the 1960s, revolutionary democracy appeared not from the class struggle, in its pure aspect, but above all as a result of the anti-imperialist and antiracist struggle. This not only helped to develop within it illusions concerning an intranational class peace but also objectively created, and could not fail to create, an essentially different social base for the national liberation movement. In Russia the exploited classes opposed class exploitation; in Asia and Africa it was the entire nation or all the forces in the nation which had not lost their national consciousness after decades or centuries of domination by foreign colonialists, who opposed the imperialist oppressors and conquerors, something which had not happened in Russia. In the Asian and African countries workers, peasants, petty owners, capitalists and even feudals, frequently found themselves in the same camp, acting against the common enemy. Their interests are served by an entirely new, particular, anti-imperialist, national in character, revolutionary democracy.

Naturally, it is no accident that the term "revolutionary democracy" was not used in relation to the problem of noncapitalist development in the documents of the international communist movement of the beginning of the 1960s. This is explained, as we believe, by the fact that the authors of such documents clearly wished to avoid any lack of clarity, ambiguity, unjustified associations and parallels. They knew perfectly well that there is no general concept of "revolutionary democracy," for which reason they renamed the new phenomenon "national democracy." The arbitrariness of this new term notwithstanding, it aptly emphasized a number of most important features in the phenomenon: its essentially new nature, primarily national character and most broad and totally heterogeneous social foundation.

Today as well there are no reasons whatsoever to abandon this term. In the course of the practical revolutionary struggle the term "revolutionary democracy" began to be applied to problems of noncapitalist development as reflecting the process of class differentiation within a united national front. This raises the question of the correlation between the concepts of "revolutionary democracy" and "national democracy." We must bear in mind that we still frequently have a narrow understanding of "revolutionary democracy" as an approximate equivalent of Russian revolutionary democracy of the 1840s-1870s. However, it is quite inaccurate to consider them as identical and to use the concept of "revolutionary democracy" in the context of the contemporary struggle waged in the Afro-Asian countries without explaining its meaning, not to mention on the basis of the idea that today in terms of its progressive and revolutionary nature "national democracy" is inconsistent with the tasks of the struggle for a socialist orientation and does not apply to the forces waging this struggle. Usually "revolutionary democracy" has been related to the leading role of workers and peasants in the struggle for the development of the revolution and the removal of domestic capitalism from the bloc of ruling forces. It has been considered a higher stage of development compared to national democracy. This was accurate, for a process of removing the national bourgeoisie from leadership was indeed taking place.

Essentially, this variant in the development of revolutionary democracy is possible not only in former colonial countries, in which the revolution follows an ascending line and national democracy goes through a number of stages and changes into revolutionary democracy of the working people or else revolutionary democracy is singled out as the left wing of national democracy. This was theoretically possible in Russia as well. However, in Russia the revolutionary process developed exceptionally quickly and the three democratic revolutions which took place during a short 12-year period confronted all classes with a socialist revolution. No time was left for such a transformation in Russia. Revolutionary democracy failed the test and a considerable segment of its supporters opposed the socialist revolution.

This transformation process in some countries with a socialist orientation appeared approximately during the mid-1970s, when the "second echelon" of revolutionary democracy advanced to the proscenium. In this case, the meaning of the concept of "revolutionary democracy," which is not defined from the class viewpoint, requires a specific historical determination and explanation of its class meaning. Without such a specification, the characterization of any movement as simply revolutionary-democratic is incorrect. Everything is determined by the class structure of the society and the class struggle within and on the subject of revolutionary democracy.

We believe that a possible terminological controversy between "national democracy" and "revolutionary democracy" would prove unnecessary if we proceed from such an understanding of revolutionary democracy, which is precisely what V. I. Lenin called for. Everything is determined by the type of meaning which is invested in these concepts and by the type of revolutionary or national democracy referred to. Considering the broad meaning of the concept of "revolutionary democracy," obviously we could consider what was described as "national democracy" at the beginning of the 1960s as one of the stages, a historical form, a type of revolutionary democracy. In such a case "revolutionary democracy" becomes linked with the entire period of development toward a socialist orientation. However, the observance of a mandatory stipulation is important in this case: we must precisely define its nature and the changes in its class content at each stage.

Such are the methodological criteria which objectively stem from previous historical experience in assessing the contemporary phenomenon of noncapitalist development, i.e., of a socialist orientation in domestic and foreign policy.

Let us now try to define briefly the stages in the evolution and class nature of national revolutionary democracy in Afro-Asian countries, related to a noncapitalist, i.e., in the final account, a socialist way of development of the society.

As we pointed out, national democracy appeared after the victory of the united anti-imperialist front. It was brought to life by the general national liberation struggle, for which reason it was distinguished by a broad unification of national forces. Representatives of national capital, medium and small primarily, were members of this bloc in one form or another.

However, they had lost their leadership monopoly. The actual power was in the hands of groups of national revolutionaries, who had rallied around a universally acknowledged national leader. Such leaders were usually military and less frequently political personalities who had acquired a reputation as a result of their courageous struggle against foreign oppression during colonial times. No single social group was granted hegemony in the movement in the national democratic platforms of that initial stage (roughly through the mid-1960s). Antagonism among different groups of national forces was rejected. This was a broad national democratic front in the absence of a clearly manifested class leadership. The main political trend was the struggle for true independence from imperialism and its allies--the feudal lords and the mercantile bourgeoisie. The upsurge of the political and economic movement of the toiling masses deprived the exploiting elements of the possibility of single rule which, naturally, they would have liked to have in order to block the path to social changes. Benefitting from the unstable equilibrium which had developed among the class opposites within the movement and their unpreparedness for a decisive struggle for power, the petite bourgeoisie assumed leading positions, claiming the role of independent political force. All of this created objective grounds and a favorable social climate for unity and intensification of the struggle for a new social order.3

The ideological and political platform of the gradually established left wing of national democracy, i.e., of the revolutionary democracy which had emerged from it, was a mixture of revolutionary aspirations and nationalistic reformism. This included an effort to go beyond the limits of "national-type socialism" while preserving many of its features. On the one hand, a decisive struggle was being waged against imperialism, the existence of class contradictions in local society was acknowledged, modern capitalism was criticized, sympathy was expressed for the ideas of scientific socialism and, something very important, since it was a question of a real political course, the left wing of the national democratic movement turned toward an alliance with the socialist countries for the sake of rebuffing imperialism. On the other hand, the right wing of the national democratic movement formulated the idea of a "third way," and the thesis of the special features of the "African" or "Arab" personality, which freed it from universal historical laws, rejected contradictions within the United Front of National Anti-Imperialist Forces and organized outbreaks of frenzied anticommunism and persecution of local Marxists. As is to be expected, national democracy is experiencing a deep internal crisis. It is becoming differentiated and stratified. Old features are disappearing and new ones are appearing. The old is still strong and the new is only gathering strength. The class struggle is increasing. One segment of the national democracy becomes a "reactionary democracy" while another segment follows the revolutionary path of rapprochement with scientific socialism. A new situation is developing. The internal crisis in national democracy is giving birth to a new positive phenomenon: the conversion of a significant percentage of its leaders and the masses following them to class positions.

National democracy--this strong yet contradictory movement--has made a great contribution to the development of revolutionary processes in Asia and Africa. It ensured the militant anti-imperialism of the national liberation

movement and contributed to radical changes in domestic political life. However, it was only revolutionary democracy, which broke away from national democracy, which deprived the local bourgeoisie and the capitalist elements of the monopoly in representing national interests, bringing to the proscenium the most democratic elements who are left of center and to the left of the national bourgeoisie. It daringly implemented antifeudal and antimonopoly measures, helped to disseminate the ideas of socialism and took the initial steps in a direction which, in the final account and under certain circumstances, could lead to socialism, i.e., to a transition toward the building of socialism.

The movement of the national democrats suffered from major weaknesses which became apparent soon. The movement was distinguished by its ideological, political, organizational and social looseness. The point was not that its class structure was heterogeneous but mainly that the movement lacked a proletarian linchpin in a number of countries, to enable it to consolidate itself on the basis of a truly revolutionary-democratic platform and to advance toward scientific socialism. The national democrats in Afro-Asian countries and even their left-wing elements hardly deserve any blame for their slowness and for falling behind the revolutionary process. On the contrary, here and there cases of clear anticipation in economic change, the abandoning of which was forced by reality, occurred. However, in a number of countries (Egypt, Mali, Sudan, Zaire, Ghana) they failed to create a revolutionary organization which would ensure the reliability of truly revolutionary-democratic accomplishments. Since the truly revolutionary forces had no organization of their own, they were forced to act through the rapidly bureaucratized military and party-state apparatus. Lacking reliable mass support, they relied on a national leader who, in turn, relied on the army, the security organs, his clan or his tribe. The majority of national democrats during that period mistrusted the toiling classes or were unable to mobilize and organize them on the basis of a revolutionary awareness similar to a class awareness. Under those circumstances, internal social antagonisms, the gravity of which was obviously underestimated, intensified. The bourgeois elements gathered strength and took over the military and state bureaucratic machinery. The obvious disparity between words and actions and between the leaders' slogans and reality made the masses apathetic.

It is well-known that during the second half of the 1960s and beginning of the 1970s these phenomena led to the defeat of national democracy in some countries. The movement fell on hard times. The enemies of the theory of noncapitalist development and a socialist orientation began to talk of its bankruptcy. Meanwhile, starting with the end of the 1960s, a trend toward politically restraining the bourgeois elements and proclaiming the peasants and workers as the leading force in the unification of the progressive forces intensified among the revolutionary democrats who had remained in power. However, the implementation of such statements was hardly successful. The true class organizations of the working people were not encouraged and aspirations to develop clear concepts of the role which the different classes played in the worker and peasant movement were blocked. As a result, even wherever the path of socialist orientation had not been blocked as a result of a coup d'etat (as was the case in Mali and Ghana) or where the ruling

groups had not clearly degenerated (Sadat's leadership in Egypt), a certain stagnation, still extant, could be noted (Burma and others). The new forms which revolutionary democracy assumed in the mid-1970s were, to a certain extent, a reaction to this stagnation and the result of conclusions based on the experience of the predecessors and their accomplishments and failures.

A new group of revolutionary democrats emerged in the front end of revolutionary changes in the former colonial countries in the mid-1970s. goal was socialism and their entire activities were aimed at refuting doubts as to the reality of a socialist orientation in terms of Asian and African countries. This applies to the ruling parties of the former Portuguese colonies in Africa, the People's Democratic Republic of Yemen, Afghanistan, the Ethiopian revolutionaries and others. The history of the development of main detachments of this new group of revolutionary democrats, related to the working people, is quite original. Characteristic of Ethiopia, for example, was a sharp class and social struggle within the national camp against the feudal elite headed by the monarch, rather than a national liberation movement. This contributed to the ripening of a class awareness. The revolutionary democrats in the former Portuguese colonies acquired their major political training in the course of the lengthy armed struggle waged against the colonizers, combined with organizational work as an essentially ruling party in the liberated areas.

The new type revolutionary democrats are promoting more firmly a rapprochement with scientific socialism, both theoretical and practical. In the practical aspect they enhance cooperation with the socialist countries to a new level and deliberately promote the expansion of such cooperation. They do not mistrust the socialist commonwealth or fear "a communist penetration," which is still experienced by the national democrats and occasionally even by the revolutionary democrats of the senior generation. In the field of theory they adopt the Marxist-Leninist concepts of the social structure of society and the class struggle, socialism and the socialist revolution, and the correlation between economics and politics during the period of transition to socialism.

This group of revolutionary democrats is heterogeneous. Some of them openly proclaim scientific socialism (Marxism-Leninism) as the ideological foundation of their movement. They raise the slogans of the alliance between the working class and the peasantry or the leading role of the working class, emphasize the class nature of the state and the ruling party, etc. Others still support the concept of a national front which, however, they base on a definite class-oriented approach. For example, there is no question that the ideology of scientific socialism influenced quite deeply the platform of A. Cabral, the late ideologue of the PAIGC and PAICV [African Independence Party of Guinea-Bissau and Cape Verde].

In some cases in the past the Afro-Asian revolutionary democrats did adopt individual stipulations of scientific socialist ideology. Today, however, essentially new features have appeared in the matter of this adoption. Previously, such trends were most frequently the result of a turn to the left. The classical example is that of K. Nkrumah after the 1966 coup

d'etat. His "conversion" from the positions of "African socialism" to those of "scientific socialism" involved skipping stages of the revolutionary process. The socialist revolution was proclaimed the immediate objective of the liberation movement throughout Africa. He rejected an alliance not only with the bourgeoisie but with the petit bourgeois elements. The revolutionary forces which could be conventionally described as revolutionary democrats of a new type proceed from the concept of the necessary stages of the liberation struggle. They consider socialism the end rather than the immediate, the direct objective. It is true that the lines of these stages are sometimes unconvincingly drawn. In some cases the impression is created of a forced urging on of the revolution through its various stages. Thus, the documents issued by some revolutionary democratic parties in Africa stipulate that the national democratic stage of the revolution was completed with the seizure of power. This hardly coincides with the understanding of a national democratic revolution as found in Marxist publications of the past 20 years.

The appearance of the new cohort of revolutionary democrats did not remove the veterans of the movement from the historical arena. The revolutionary process is continuing to develop in the People's Democratic Republic of Angola, Tanzania and elsewhere. Their ruling parties have not exhausted their revolutionary anti-imperialist potential. Finally, national democratic and revolutionary democratic trends continue to operate and to appear without having reached their full potential (Ghana, 1982, Upper Volta, 1983, Benin and others).

The variety of revolutionary processes is a legitimate phenomenon. It will not decline in the future as well. In this connection, how to assess the various trends within the camp of the national and revolutionary democracy?

Unquestionably, the new reinforcements of revolutionary democracy are closer to scientific socialism ideologically and politically. Their turn to Marxism-Leninism is a factor of major positive importance. However, this circumstance should not be absolutized; they should not think that their chosen way is the only real variant of a socialist orientation today. Such concepts do appear and are obviously the reflection of a skeptical attitude toward the former, not always successful, forms of progress along the noncapitalist way and toward the phenomenon itself in principle, since, obviously, it is not identical to the revolution which took place in its time in the Soviet republics of Central Asia, Mongolia, Vietnam, etc. The view has been expressed that the path of national democracy is futureless, that the future socialist orientation is related only to the path chosen by Vietnam and that the changes which are taking place currently in Angola, Mozambique, the People's Democratic Republic of Vietnam, Ethiopia and some other countries are precisely a repetition of the Vietnamese experience.

Is this the case? Let us recall an exceptionally important circumstance: the concept of the noncapitalist path of development was formulated by Lenin, the Bolshevik Party and the Comintern. It applied to countries in which conditions for a direct socialist revolution, headed by a Marxist party, had not developed. This variant of the movement toward socialism is the result of objective circumstances and the need for it appeared, appears and will appear

over a long period of time which will cover a number of decades and the lengthy transition from capitalism and precapitalism to socialism. The essence of the matter neither changes nor could change merely as a result of the fact that one party or another proclaims itself to be Marxist-Leninist and its revolution socialist. This being the case, the idea of advancing toward socialism without a firm communist vanguard and that of making radical and consistent general democratic changes under the leadership of national and revolutionary democrats is today no less topical than it was 20 years ago. Today as well a new solution is given to the question which occupied the Comintern in the 1920s and 1930s: the alliance between the proletarian socialist revolution and the communist movement, on the one hand, and all revolutionary and democratic movements, on the other. Under present-day circumstances of imperialist preparations for a nuclear war and the "crusade" proclaimed by global reaction against socialism and the national liberation movement, this alliance is of tremendous importance.

A variety of forms of socialist orientation and revolutionary movement of the national democrats exist. Several forms of a noncapitalist way chosen by Afro-Asian countries and the socialist orientation of some of them have become quite clearly defined. The countries which have made their respective choice are following this movement under the guidance of first- and second-generation revolutionary democrats. The experience of neither should be absolutized, for not everything in this experience is unquestionable. It demands a comprehensive study and interpretation and the identification of its most successful aspects.

The errors which the national democrats made in the 1960s were not caused by a lack of radicalism but by the inability to support revolutionary initiatives with socioeconomic and political-organizational measures, party measures above all. It is by taking this into consideration that we must assess the results of the activities of the national democrats. The fact that in the course of building their states the revolutionary and the national democrats are changing their ideological platforms and are coming closer to scientific socialism is a fact of major importance and an essential prerequisite for converting to the socialist way. In itself, however, this accomplishes little without the actual observance of the basic principles of the new ideology.

It is one thing to proclaim scientific socialism as one's ideology and another to follow the proclaimed path and to implement in practice, or at least to begin to implement, this ideology, supported by the majority of the people. This precisely is the prerequisite for the victory of a socialist ideology. Profound revolutionary changes could and still can take place on the ideological basis of national and revolutionary democracy. We must remember that it is by far more difficult to make true social and political changes than to proclaim them. Declarative radicalism not only does not bring about the automatic implementation of progressive principles but also does not always contribute to this, for it triggers a sharp aggravation of the socioclass situation. The proclamation of loyalty to scientific socialism is the great achievement of the best detachments of revolutionary democrats. However, we must not fail to see that this is by far not the only and

the most convincing feature of an actual rapprochement with scientific socialism. It is particularly important to emphasize in this connection the familiar idea that truth is always specific and its nature is indicated by practice above all.

At the same time, we cannot ignore the fact that the proclamation of scientific socialism as the theoretical base of the ruling parties in countries with a socialist orientation is becoming an objective necessity. possible that in some cases the ideological resolve of the ruling parties somewhat anticipates reality. However, it is necessary to maintain a revolutionary perspective at all times. In their ideology and politics, however, all revolutionary parties must stand on the grounds of today's possibilities, properly combining this with the prospects of the movement. Party ideology is not only a theoretical treatise or scientific research. It is a means of resolving present and future social, economic and political problems. ficial anticipation or lagging in this respect means that the ideology may lose its power of influencing the masses and its ability to channel their energy into the solution of priority problems. It may lead to a loss of support and active sympathy on the part of the majority of the people, which is so greatly necessary if victory is to be achieved. For example, could concepts on the leading role of the working class, the party of the working class and the dictatorship of the proletariat be a means of mobilizing a peasant society, which is essentially tribal (and sometimes nomad) and could they be understood by the rural working people? Can a young, still weak and politically undeveloped working class assess them properly; could this be a case of underestimating the specific nature of the liberated countries or of forgetting the great Leninist idea of peasant soviets and the translation of scientific socialism into the language of peasantry? Let us recall the case of the Mongolian People's Republic, where the principle of peasant councils was implemented after decades of painstaking work by the revolutionary democratic party which had adopted the theory of scientific socialism. Four or five years ago some leftist leaders in Afghanistan had proclaimed the existence of a proletarian dictatorship in the country under feudalism, believing that this assertion was an important contribution to scientific socialism. Could such theses be considered proof of the advent of a qualitatively new stage in the revolutionary process?

How should we react to the fact that revolutionary democratic parties in economically and socially backward countries proclaim Marxism-Leninism as their ideology and formulate theses on the vanguard role of the working class and the dictatorship of the proletariat? It is easy to elaborate a system of accelerated conversion of such parties to communist. Such schemes already exist and they stipulate the existence of four stages in the party's development (with possible combinations and modifications) as follows: 1) national democracy: a wide bloc of social forces, including national capitalists; 2) revolutionary democracy: a bloc which no longer includes national capitalists and is headed by the working people, within which a "proletarian-democratic current" is clearly manifested; 4 3) a vanguard revolutionary party of the working people, oriented toward scientific socialism; 4) a Marxist-Leninist party.

The fault of this theoretical system is the obvious lack of historical approach. It proceeds not from practical experience but essentially from abstractly conceived ideological criteria. This dampens the essential and the practical common features shared by various forms of a socialist orientation. Essentially, all such stages occur within the broad limits of national and revolutionary democracy and, if we take the practical criterion as a basis, rather than ideological stipulations alone, no insurmountable boundaries exist among them. There are revolutionary democratic parties in which the ruling offspring of bourgeois-democratic and petit bourgeois revolutionary circles try to ensure worker and peasant leadership, which presumes a certain level of class political awareness and an autonomous organization. A socialist orientation begins to provide such examples for structuring such revolutionary-democratic parties.

The ideological evolution of revolutionary and national democracy toward socialism is unquestionably historically correct and inevitable, confirming that a higher stage of development has been reached. Naturally, it requires an entire period of organizational and political practical activities, the success of which is, in the final account, also the success of the entire process. Plans for the development of national liberation revolutions into socialist revolutions must be critically correlated with reality and the prospects of the struggle. All systems remain abstract unless focused on practically attainable and imminent requirements of the revolutionary process. Currently this process has not fully covered this stage anywhere, a stage which was defined in 1960 as that of national democratic revolutions, headed by revolutionary democrats close to the ideology of scientific socialism. The strategy and tactics of this stage in ideology and in the political and economic practice of the revolutionary struggle requires the concentrated efforts of revolutionary democrats for the successful solution of the problems which exist precisely at that specific stage in the revolution.

#### **FOOTNOTES**

- V. I. Lenin, "Poln. Sobr. Soch." [Complete Collected Works], Vol 34, p 166.
- 2. Ibid., Vol 32, p 248.
- 3. During the transitional period of the 1960s the upsurge of the mass movement against imperialism and big national capitalism and the feudal system was clearly marked in several countries: G. A. Nasser's "Socialist Decrees" in Egypt; a coup d'etat and the subsequent "Burmese Path to Socialism" in Burma; the assumption of power of the left-wing Baath in Syria; and the victory of the national democratic revolution in Algeria.
- 4. See V. I. Lenin, op. cit., vol 25, p 94.

COPYRIGHT: "Narody Azii i Afriki"
Glavnaya redaktsiya vostochnoy literatury, 1984

5003

CSO: 1807/229

MECCA-BASED GROUP SEEKS RELIGIOUS BASIS FOR MODERN ISLAMIC LIFE

Moscow NARODY AZII I AFRIKI in Russian No 2, Mar-Apr 84 pp 30-39

[Article by R. M. Sharipova and T. P. Tikhonova: "Muslim World League: From Traditionalism to Reformism"]

[Text] The evolutionary process of the ideological trends of "Islamic thought" became sharply energized during the period of the "Islamic boom" of the end of the 1970s and beginning of 1980s: in just a few years they experienced more significant changes than during the previous decades. The results of the politicizing of Islam, with its characteristic efforts to interpret and resolve topical problems of our time from religious positions intensified the reformist trend. The spreading of the principle of reformism to its most conservative trends became the distinguishing characteristic of the current stage in the development of "Islamic thought." This is clearly confirmed by the change in the views and concepts of the representatives of the right wing of Islamic theology, usually associated with traditionalism.

The largest ideological center of this movement is the Muslim World League (Al-Rabita al-Alam al-Islami), a theological organization based in Mecca, considered the "bulwark of Islamic orthodoxy." Indeed, ever since it was founded in 1962, the league has been traditionalist: created by the Saudi rulers in an atmosphere of aggravated confrontation between the forces of progress and reaction in the Arab world, the purpose of the league was to disseminate among Muslims the concept of the Saudi kingdom as the "stronghold of Islam," while at the same time condemning the progressive regimes as "apostates." The league's credo—loyalty to the spirit and letter of Islam—was linked to its role as the ideological counterbalance to Cairo's al-Azhar University, the largest Moslem school which at that time was providing a religious substantation for the progressive changes which were taking place in the country.

Starting from the beginning of the 1970s, however, traditionalism gradually began to lose its dominant position in the league. The first "generation" of its ideologues, who considered reform (in both a "socialist" and a bourgeois spirit) seditious, was replaced by theologians, many of whom were prepared to use new ideas and concepts alien to original and traditional Islam. Having lost its purely orthodox nature, today's league encompasses within its activities the coexistence of two trends: a noticeably weakening traditionalist and a strengthening reformist. This ideological evolution was based on the drastic energizing of the foreign policy course charted by

Saudi Arabia by the end of the 1960s, as it tried to use its increased economic potential for the purpose of assuming political leadership in the "Islamic world." The Saudi kingdom considered the first international Muslim organization created on a governmental level—the Islamic Conference Organization (ICO) a major step in this direction. Under the new circumstances, the tasks of the league changed radically: from a strictly theological organization, which protected the "purity of Islam" in its conservative interpretation, it became the "brain trust" of the ICO, the purpose of which was to formulate a common ideological platform for the extraordinarily heterogeneous "world of Islam." Characteristically, the countries on the right flank of the ICO, with monarchic regimes based on traditional Islamic structures, are a minority in the organization.

Realizing that under contemporary conditions the question of choosing a way of development was of decisive significance, the "Islamic solidarity" leaders defined the purpose of the movement as the "rebirth of the spiritual unity of the umma" through the development and application of a special "Islamic model of development." This new task determined the new aspect and means and methods of the league's activities. Skilled specialists in various fields of knowledge are being actively recruited to participate in its work alongside most noted Moslem theologians from various countries; the Saudi rulers are generally subsidizing the equipping of the league with contemporary facilities and materials for research and propaganda. The scale of such activities was considerably broadened as a result of the establishment of the league's coordination councils for Australia (1974), Africa (1975), North America and Canada (1977) and Asia (1978). In their efforts steadily to energize the league's influence on the broad Muslim masses and the intelligentsia in Muslim countries, the league's headquarters and its coordination councils use the press, radio and television and organize representative conferences. Their announced purpose has been the formulation and subsequent implementation of a "pan-Islamic approach" to problems of war, peace and disarmament, a new international economic order, human rights, social systems, the ways of development of Muslim countries, struggle against poverty and hunger in the liberated countries, etc. The league ascribes great importance to contacts with international regional organizations, the Organization of African Unity in particular, considering Africa to be the most promising from the viewpoint of the further expansion of the "Islamic zone." Work conducted directly among pilgrims who come to Mecca from different parts of the world during the "hajj" period is one of the main areas of the league's activities. regarding the hajj as a unique opportunity for instilling the ideas of "Islamic solidarity," the league times for that period measures such as "Islamic culture week" and organizes the free distribution of the Koran and propaganda publications.

Substantial changes are taking place in the league's theoretical activities as well. The authors of this article deem it their task above all to analyze the conceptual elements and slogans which are new in terms of traditional thinking and were formulated in the league's central publications during the peak period of the "Islamic solidarity" movement, which was between the end of the 1970s and the beginning of the 1980s. This makes it possible to characterize the social and political nature of the evolution in the league's

activities. The problem of the correlation between the traditional and the contemporary in the league's theories deserves a separate study. Furthermore, in order to ensure the accuracy of the assessment of the evolution of the league's ideological platform, it is important to remember that not the ideas of Islamic reformism, which began to spread among many Muslim countries more than a century ago, but traditionalist concepts, which characterized the league during the first decade of its activities should be considered the "point of reference."

The aspiration to link the implementation of the "Islamic ideals" to the solution of topical social and political problems became the main distinguishing feature characterizing the league's propaganda. The journal MUSLIM WORLD LEAGUE, the league's central organ, calls for turning to Islam "with a view to the optimal utilization of achievements in the material area and the establishment of a truly human and just social order."3 Along with traditional moral and ethical aspects, the statements by the league's ideologues emphasize the sociopolitical and economic advantages of the "Islamic order." Thus, Said Atar Hussein, the noted Saudi theologian, claims that "Islam will not accept a society in which drunkenness and loose morals blossom. evil, insincerity, hypocrisy, egotism, economic exploitation, political rightlessness and racial discrimination. Islam calls for the establishment of a God-fearing, just and civilized society, whose members fight evil and corruption and closely cooperate with one another."4 In explaining the superiority of Islamic over worldly principles and their "divine nature," the contemporary theologians particularly emphasize the ability of Islamic concepts to control the "material" life of society."5

However, the arguments in favor of a return to Islamic norms are not exhausted by references to their "divine nature." The league's ideologues, who feel the influence of populist interpretations of Islam, emphasize its "national nature" and pit Islam as an ideology of the masses against worldly trends "of an elitist nature." In developing this thesis in one of the league's central organs--the journal AL-RABITA AL-ALAM AL-ISLAMI, Saad Ahmed, the Bangladesh ideologue, considers as the main reason of the crisis in the "Islamic world" the fact that the "age-old aspiration of the ummas to live in accordance with the laws of Islam was ignored by the leaders of the Muslim states. The long period of colonial dependence, Western influence and the domination of a nonspiritual social system and a laic education, alien to the spirit of our superior values, de-Islamized the thinking of many Muslim leaders, officials and members of the intelligentsia to a far greater extent than they affected the minds of the simple people."6 Therefore, "the appearance of a large number of supporters of Islamization in the elitist circle" is interpreted by the theologians as a democratic change which brings the educated strata closer to the broad popular masses "who are sincerely loyal to Islam."7

Another important feature which distinguishes the concepts of today's league ideologues from those of their predecessors is attempts to concretize the slogans of "Muslim unity." In an effort to provide a constructive positive program for the abstract idea of the "single Islamic state," many league ideologues have called for making extensive practical efforts to implement

this objective. According to most theologians, its first stage should be a "spiritual revolution," i.e., a "revolution in the minds of the masses, similar to the one which was made by Mohammed, who instilled in them faith in the fundamental principles of Islam."8 This requires a "radical reorganization of the system of educational and propaganda activities and joint efforts aimed at the development of Islamic culture and strengthening cooperation among Islamic countries, in order to achieve unity of thoughts and actions." The purpose of the spiritual revolution" is to cultivate a "corresponding social environment" without which "the foundations of the new Islamic society cannot be laid."9 The next step involves a return to Islamic legislation. This would make it possible eventually "to put an end to the separation of religion from the state, which brought about disharmony in the thoughts and actions of the Muslims."10 In substantiating the importance of applying the Shariat, the league's ideologues emphasize its role as an instrument of social justice and well-being and a means of avoiding crises and resolving conflicts of all sorts--from family to international. Bearing in mind the fact that the Shariat has lost its former positions in many countries where Islam has been traditionally prevalent, it is stipulated that a return to it will be gradual. It is recommended to begin by creating in each country organizations which study and disseminate Islamic laws, followed by a radical reform in legal training and only at the final stage "the total revocation of laws which conflict with the Shariat or making such laws consistent with the Shariat."11

The final stage is the establishment of a unified state "umma." This was a clear manifestation of the readiness of the league's ideologues to abandon traditional concepts for the sake of political considerations. Aware of the fact that most Muslim countries do not identify in the least "Islamic solidarity" with the idea of a pan-Islamic state but view it as a political alliance, supporters of the new "orthodoxy" deem it expedient to support the idea of a "pan-Islamic confederation," which was originated at Al-Azhar University in 1979 in its "Draft Islamic Constitution." Although this action of the league should not be interpreted as a rejection of the ideal of the "Islamic caliphate" (since many of its theoreticians consider a federation an initial stage of a state "umma"), nevertheless this does not make the compromise any less significant.

Above all, in allowing the existence of individual governments in Islamic countries in their present boundaries, the league's ideologues actually abandon the fundamental principle of the indivisibility of religion and politics. As we can see, the problem of Islamizing the state power is not raised during the first two stages. Another departure from the ideals of the conservative theologians—a theocratic monarchy and strict obedience to the authorities—is their stipulation of "control" on the part of the people over the activities of all authorities, including the imam, as the basic principle of social life in the "umma-state." Another departure from Islamic tradition is the thesis contained in the draft "Islamic Constitution" of the elective nature of the main advisory organ of the imam—the madjlis ash—shura—which, allegedly, gives it the nature of "people's representation." The adoption, for the first time, of the stipulation of the election of an imam "by all social strata" (taking into consideration the tendency of conservative legislators to restrict in this case the electoral right to no more than

a few ulemas and "umma" leaders<sup>15</sup>) and the particular attention paid to the "bay'a"—the "umma" oath of allegiance to the new caliph—as a manifestation of the popular will, which has actually always been of a strictly formal nature, may be viewed to a certain extent as a concession on the part of "orthodoxy" to the majority of Muslim ideologues who support the republican form of government.

Although agreeing with the pragmatic interpretation of the concept of an "Islamic state," in which the control exercised by the imam and the religious leaders is limited to the "spiritual sphere," the league's theoreticians nevertheless emphasized their support of the traditional belief in the leading role of the clergy in the life of the "umma." This stipulation no longer appears so contradictory to the concept of power in a "pan-Islamic confederation," if we bear in mind the important difference between the concepts of the contemporary and the traditional "conservatives" regarding the clergy. Today the supporters of "divine will" are presented with a number of demands supported by numerous references to the Koran for "not being limited to education related to life in the other world," but "mastering to perfection the sciences of the material world" and "mastering the ability to relate religious principles to vital socioeconomic problems."16 The league took a number of specific steps relative to the implementation of this objective. In particular, courses for imams and preachers were organized at Ibn Saud University in Mecca.

The attempts of the league's ideologues to combine obedience to the spirit and letter of Islam in accordance with contemporary requirements, naturally apply not only to the problem of power. An example of disparities resulting from such aspirations is the approach to the problem of the interrelationship between the "world of Islam" and the outside world, i.e., the world of "infidels." In an effort to substantiate the increased claims brought forth by Saudi Arabia to play a leading role in the entire "developing commonwealth," in recent years the theologians have made significant efforts to present Islam as the "natural ideology of equality and cooperation." In defending this thesis, in his speech at the United Nations General Assembly session (1979) the Saudi representative cited an excerpt from the Koran: "Oh people, we created you men and women and made of you nations and tribes so that you may better know each other" (49:13).17 Supported by quotations from the "holy book" claims relative to religious tolerance as an age-old Islamic feature poorly agree with theologian concepts which define the rights of infidels (zimmiev) in the "Islamic state." The position of the theologians on this problem did not experience substantial changes: as was the case one century ago, the rights of the zimmiev in the draft of the planned constitution are based on the akd az-zimma treaty, in accordance with which the state takes them under its protection. Although it is proclaimed that relations between Muslims and zimmiev must be built on the basis of tolerance (tasammukh), justice, mercy, etc., these laws are clearly discriminatory in nature. The zimmiev must pay the traditional taxes levied on infidels--djiz'ya (capital tax) and haradj (land tax). The zimmiev cannot become head of the "Islamic state" and cannot even participate in his election. He may serve in the armed forces but cannot command them. 18

However, the most conflicting and eclectic are the elaborations of the league's ideologues which affect the area of "Islamic economics," which is qualitatively new in terms of orthodox theology. The main contradiction is contained in the very formulation of the problem: on the one hand, the rebirth of some kind of "Islamic economic doctrine" is proclaimed the foundation for the creation of such an economy; on the other, an active search is under way for new ways which would make it possible to synthesize the advantages of existing socioeconomic systems. Thus, in the league's publications the propaganda of the ideas of a return to the "Islamic economic doctrine" (which, in the words of Egyptian theologian Muhammad Abd ar-Raufa, "has been successfully applied since the time of the prophet Mohammed and the just caliph"19) coexists with the statement of Maarufa ad-Davalibi, the adviser of the king of Saudi Arabia for religious problems, who appealed to the ulema "to study the capitalist and Marxist economic systems and to pit against them the Islamic system, guided by the principles of the Koran,"20 or else claims to the effect that any "blind imitation of traditions is a distortion of divine revelation," for which reason "the elaboration of a universal Islamic development model must be based on the latest scientific and cultural achievements. 121

These two conflicting approaches are based on the league's objectives, which try to substantiate the need for a separate "Moslem world" and to present the "Islamic model" as an example for all developing countries. As a result, making the "Islamic economy" consistent not only with religious norms but, to an even greater extent, with concepts relative to development priorities which have appeared in most liberated countries, becomes the task of the theologians. The slogan of a "new international economic order," which was raised in the United Nations by the "Group of 77," and the modifying definition of "Islamic," borrowed by the league's ideologues, serves the latter objective. The concept of a "new Islamic international economic order" (NIIEO) has been actively promoted by ICO representatives at international gatherings. They have emphasized that "Islam offers a revelation which is a guide for all nations." Typical in this connection is the statement by one of the leading NIIEO theoreticians, Pakistani ideologue V. A. Hamdani: Islamic world order is based on the fundamental principles of Islam, which control and restrict the aspirations of some so that they may not impede the wishes and aspirations of others. Islam stipulates neither the full suppression of wishes nor the full satisfaction of material needs; it holds a middle position, which will help to save the contemporary world from total catastrophe," for which reason "thanks to the establishment of the NIIEO, based on the Islamic principles of equality and justice, the developing countries will acquire voting rights in resolving important international commercial and monetary-financial problems."<sup>23</sup> A characteristic emphasis in the theory of the "Islamic economics," aimed not only at "intra-Muslim" consumption and correlating with other "third-way" concepts, is that of "universality" and "flexibility" of Islam, i.e., qualities which conflict with the traditionalist principles of "separation" and "inviolability."

The establishment of NIIEO is related to the dissemination of the achievements of the scientific and technical revolution in the developing countries, for science, according to the contemporary "orthodox" theologians, stems from the very nature of Islamic religious doctrine. In emphasizing that "contemporary mankind needs a social order based on Allah," Said Atar Hussein, the

noted Saudi theologian, links this order to the "blossoming of science and technology,"  $^{24}$  while his compatriot Usuf Nadjm ad-Din claims that "aspiration for knowledge is a mandatory Islamic prescription, for science comes from Allah, the omniscient and omnipotent."  $^{25}$ 

The superiority of the "Islamic order" compared to the existing social systems is that, according to the league's ideologues, it will create conditions for "humanizing" the scientific and technical revolution by establishing an "Islamic approach" to the problem of ownership. This approach is based on the Islamic concept of ownership, according to which all wealth on earth belongs to Allah and he entrusts it to man for temporal use during his life on earth.

The "Islamic approach" to the problem of ownership is being used by the contemporary theologians as the main criterion in their criticism of the two world sociopolitical systems. Socialism, which is the main target of the attacks of the league's ideologies, "sins" above all because it calls for an "unnatural equality," thus encouraging neglect of the "sacred duty of the individual, the community and the state--the protection of private property."26 In justifying possession inequality by claiming that the right of possession is "the prerogative of Allah," which is hardly distributed among everyone, such theoreticians refer to the following law of the Koran: "Allah gave priority to some over others in life. Those to whom this advantage was granted must not give their share to those they control so that they may be equal. Would they reject the mercy of Allah?" (16:73). In accusing the supporters of the socialist way of development of ignoring their "obligations to God," the league's ideologues are increasingly repeating the more modernsounding accusations of ignoring the basic human rights, the principal among which is the right to private ownership. Also noteworthy and characteristic of said ideologues has been the recent tendency to associate private ownership with "freedom of the individual," which is a new concept in theology. Thus, S. A. Hussein pits against socialism which, allegedly, "destroyed and suppressed the main manifestations of freedom, particularly in economics," the "Islamic order" which "ensures freedom of the individual and, at the same time, obedience to the supreme principle."27

The theologians consider the observance of this stipulation a guaranteed protection from the social evils of bourgeois society on which they concentrate in criticizing capitalism. Such criticism holds an important position in the concept of the NIIEO, triggered by the aspiration to pit an "Islamic order" against "Western model" capitalism, and to prove that "capitalism is no better alternative to communism." Typical in this respect is S. A. Hussein's statement that "despite tremendous achievements in science and technology, the West has been unable to offer a model of development which would contribute to the establishment of social justice and to achieving spiritual perfection and peace on earth. On the contrary, its greatest accomplishments in these areas led to a moral degradation of society and to insoluble conflicts and clashes on all levels." In considering the antagonist contradictions created by capitalism the result of "moral degradation," the league's theoreticians proclaim it the consequence of absolutizing the importance of material values and the total neglect of spiritual values.

Guided by the "capitalist ideals of enhancing the individual and sanctifying freedom, unrestricted by the state,"<sup>30</sup> the West is increasingly being compared to a pagan who worships only "the idols of income and competition."

In pitting the "Islamic order" against Western society, based on private antagonisms, the league's ideologues single out as its main feature its "peaceableness," thus depicting it as the embodiment of the ideals of a "class peace" which they include in Islamic canons. "The root of the word 'Islam'--'Salaam'--means 'peace,'" emphasizes Dr Ahmed N. Sakr, a Jordanian ideologue. "Another word which shares the same root--'Aslama'--means obeying the will of Allah, leading a peaceful life, being peaceable...and living in the world with oneself, God and the family, society and the entire universe."31 In addition to the "universal peaceableness," allegedly typical of religion in general, as interpreted by the league's ideologues, Islam is the latest and most advanced religious dogma and has the advantage that, along with the spiritual, it covers all material life in society. Hinting that Islam is superior to the other religions, the theologians emphasize that "it does not exclude the idea of happiness in terms of material well-being and that...it contains no appeals to reject worldly goods for the sake of spiritual cleansing."32 However, while "encouraging the aspiration for material sufficiency. Islam makes the people remember that this is not the main objective...and educates them in a spirit of moral responsibility for their own actions."33

Therefore, although "like capitalism, Islam recognizes the right to private property and allows anyone the use of the fruits of his toil," the works of the theologians imply that it also stipulates the existence of a rigid "ethical code" of the property owner. This code is formulated as follows: "The Muslim owner believes that productive capital has been granted to him by Allah himself. He must also always remember that all earthly wealth belongs to Allah and that man is only his representative who has been justly entrusted, as willed by God, with managing such wealth."34 Hence, apparently, the conclusion of the need to enhance the level of religious observance as the leading means of improving society. However, further considerations expressed by the league's ideologues reveal that asserting the principle of social justice, allegedly "organically inherent in Islam," is by far not limited in its use to measures of ideological influence aimed at strengthening the "fear of God." References to the Koran (such as "eat and drink but waste not" (7:31) are used by the theologians in substantiating their thesis to the effect that "Islam stipulates active means of restraining ownership feelings, which are strongly developed in man," and rates quite highly the importance of "state intervention as a factor which limits the passion for profit and corruption."35 On this point the views of the theologians reveal yet another contradiction: in an effort to depict the "mixed" economy ("flexible combination of private enterprise with state intervention") as age-old Islamic principles, they no longer bear in mind the initial Islamic age of the "just caliphs" (632-661), to which they link the "Islamic economic doctrine," but the traditional essentially "Ottoman Islam" (16th to the beginning of the 19th centuries) with its developed state-monopoly trends, i.e., a period when this doctrine, according to their own words, "was forgotten."36 The reason is that in the views of the league's ideologues, today the area of state intervention goes far beyond supervising over the observance of the

most important socioeconomic prescriptions of Islam regarding the zakiat (poverty tax) and the rules governing inheritance and ban on usury, as was the case during the age of the "just caliphs." According to their views, the "Islamic state" has the function of controlling private capital. The right of the state to intervene in the area of private enterprise is substantiated by its role as guardian of Islamic norms and bans, particularly the Riba ban, according to which "earning interest on capital, if not invested in a specific project, is considered immoral."<sup>37</sup> Therefore, the intention is to use state control in surmounting the unwillingness typical of the bourgeoisie in the developing countries to finance industry as an underprofitable economic area. Furthermore, some league theoreticians have expressed the idea that the state must control the main areas of economic activities. Muhammad Uzeir, a leading organization expert, considers that "the growing feeling of solidarity among Muslims must be supported by the creation of a single pan-Islamic center for planning and study of economic problems."38 Obviously, it is precisely a more active participation of the state in economic management which enables many NIIEO theoreticians to see in it "features similar to socialism," which they note side-by-side with "specifically Islamic" features and features which bring it closer to capitalism. 39

The attempts of the league's ideologues to relate to a return to the prime sources of Islam the idea of economic integration of the "Islamic world" as well as references to its "economic unity" in the past are groundless. Few such attempts have been made, for this aspect of intra-Islamic cooperation is most attractive to countries which hope for receiving petrodollar subsidies at beneficial conditions, and requires neither advertising nor religious substantiation. To the leaders of "Islamic solidarity," who consider integration a means of economic expansion in the area of traditional dissemination of Islam, the aspiration to relate it to resolving the vital problems of our time is characteristic. Thus, Muhammad Safwat Amini, deputy secretary general of the Muslim World League, considers integration the only way which would enable the Muslim countries to counter the "economic policy of the imperialist powers, which is the most serious danger threatening the Islamic world."40 The formulation of an integration program should be "Islam's answer to the West." It becomes a matter not for theologians but for economists, for which reason we shall mention it only briefly for the sole purpose of providing an idea of the scale of planned activities and the consequent difficulty of the elaboration of an "Islamic business" ethic.

The creation of a specific industrial base of the "Islamic world," resting on the "rational utilization of the income from petroleum and natural gas,"41 is proclaimed the main objective of the program. Industrial enterprises would be concentrated in petroleum-producing countries and in countries rich in manpower. The initial step in this direction will be the founding of a joint manpower bank of the "Islamic world."42 Along with industry, the principle of integration would be fully extended to agriculture. It is emphasized in this connection that achieving the goal of self-support in terms of food and raw materials would be "inconceivable without the elaboration of a single plan for agricultural development, which would encompass the overall area of arable land and overall volume of water resources of Islamic countries." Along with the formulation of such a plan, "urgent plans" will be implemented

for agricultural development in Bangladesh, Pakistan, Sudan and Turkey, also financed by petroleum-extracting countries headed by Saudi Arabia.<sup>43</sup> Theological support for integration plans is relative: in this case the role of the theologians is reduced to promoting the "spirit of Islamic universalism," and the need to struggle against "nationalistic trends," which is proclaimed "the sacred duty of all Muslims."

At the same time, the Muslim theoreticians are directly involved in the elaboration of the foundations of a "humane Islamic financing system," on which the idea of an autonomous "Islamic world" is based. The efforts to create such a system, which were crowned by the opening of the Islamic Development Bank (IDB), an international credit organ which was inaugurated in 1974, were made under the slogan of lifting the threat of economic expansion by neo-colonialism and the enslavement of Muslim countries by Western commercial banks. The league's ideologues focused their main attention on linking easy credit conditions, secured by the IDB mainly as a result of the influx of Saudi capital, with the "specifics" of Islam. The activities of the International Association of Islamic Banks, headed by the IDB, is advertised as "the greatest embodiment of the age-old Islamic principles of equality and justice in terms of historical significance" and as a "upturn in banking, which eliminates unequal relations between lenders and borrowers... on the individual, national and international levels." 45

According to NIIEO theoreticians, essentially this change is reduced to the implementation in crediting and financial practices of the ban on charging interest (Riba). However, whereas the theologians are unanimous in considering the Riba as a basic feature of the "Islamic system," their efforts to concretize the interpretation of this ban in terms of contemporary conditions reveal major differences caused by objective difficulties. The principal difficulty is the fact that the financial and economic integration of the "world of Islam," avoiding the earning of interests, is practically impossible and that the efficiency of intra-Islamic cooperation directly depends on earnings, i.e., on rates which, according to Islamic tradition, are condemned in their capacity as "interest."46 Therefore, the main tasks of the theologians are to justify in the eyes of the believers the earning of profit by modern business and the search for ways to bypass the laws on interest rates. The differences in the interpretation of Riba are quite eloquently confirmed if we compare the statements by two noted theoreticians of the "Islamic order:" V. A. Hamdani and Abd ar-Raufa. Whereas the former relates the "feature of interest-free banking operations to the time when the payment of interest rates falls due, which would not cause any harm to the payor," emphasizing in particular that Islamic financing "should not be considered as philanthropy,"47 the latter considers that "the only distinction between Islamic and conventional banks is that the former are not based on fixed rates of interest on loans and deposits."48

Despite existing differences, forced by objective necessity, in recent years the league's theoreticians have done a great deal to substantiate the bourgeois foundations of "Islamic business." This applies above all to the formulation of concepts identifying an enterprise based on the musharaka principle (i.e., coparticipation<sup>49</sup>) which does not violate the Riba, formulated as a result of lengthy discussions. Essentially, in their efforts to

apply said principle to the religious legitimizing of capitalist foundations and norms, the league's ideologues invariably emphasize the radical difference between the Islamic and Western, capitalist, financial-economic systems. Clearly, said difference is depicted by them as a feature proving the superiority of the "Islamic order" as important as "consistency with the spirit of Islam."

It is the peculiarity of the league's reformist trend which mainly predetermined the task which is politically topical to the Saudi monarchic regime, of encompassing the entire "world of Islam." In an effort to act as the ideological "center" holding a "middle" position between "Westerners" and supporters of a socialist orientation, the league does not limit itself to borrowing concepts of an essentially bourgeois nature. The awareness by the leaders of "Islamic solidarity" of the need to take into consideration the democratic and anticapitalist feelings of the believing masses forces their theoreticians to borrow elements of petit bourgeois—type concepts of a "third way" of development, while proclaiming the achievement of social justice and waging a struggle against "economic exploitation" the main objectives of the return to the "golden age of Islam."

### FOOTNOTES

- 1. The changed ratio among the different traditionalist and reformist ideological trends, a study of which is found in the works of Soviet Islamists (see Z. I. Levin, "Razvitiye Arabskoy Obshchestvennoy Mysli" [Development of Arab Social Thinking], Moscow, 1979; A. I. Ionova, "Islam v Yugo-Vostochnoy Azii: Problemy Sovremennoy Ideynoy Evolyutsii" [Islam in Southeast Asia: Problems of Contemporary Ideological Evolution], Moscow, 1981; L. R. Polonskaya and A. Kh. Vafa, "Vostok: Idei i Ideologi" [The East: Ideas and Ideologues], Moscow, 1982; M. T. Stepanyants. "Musul'manskiye Kontseptsii v Filosofii i Politike (XIX-XX vv.)" [Muslim Concepts in Philosophy and Politics (19th-20th Centuries)], Moscow, 1982, and others), is characteristic not only of the Muslim World League but in general of contemporary Muslim organizations as pointed out, among others, in the articles by L. R. Polonskaya (see for example NAUKA I RELIGIYA, No 6, 1983).
- 2. On the activities of the ICO see L. B. Borisov, "The Islamic Conference Organization," NARODY AZII I AFRIKI, No 4, 1983.
- 3. "Muslim World League," Mecca, September 1981, p 52.
- 4. Ibid., p 53.
- 5. AR-RABITA AL'-ALYAM AL-ISLAMI, Mecca, November 1981, p 28 (subsequently RABITA).
- 6. Ibid., January 1979, p 38.
- 7. Ibid., March 1979, p 18.

- 8. Ibid., January 1979, p 38.
- 9. Idem.
- 10. "Muslim World League," September 1981, p 8.
- 11. RABITA, January 1979, p 39.
- 12. AL-AZHAR, No 4, 1979, Cairo.
- 13. Ibid., p 1,093.
- 14. Ibid., p 1,095.
- 15. M. T. Stepanyants, op. cit., p 171.
- 16. See "Moslem World League," September 1981, p 8.
- 17. United Nations Document A/34/RU, 21, 5 October 1979, p 52.
- 18. AL-AZHAR, No 8, 1980, pp 1,454-1,456.
- 19. RABITA, March 1979, p 22.
- 20. Ibid., January 1979, p 49.
- 21. Ibid., October 1978, p 33.
- 22. Ibid., January 1979, p 31.
- 23. "Muslim World League," October 1981, pp 20-29.
- 24. Ibid., September 1981, p 51.
- 25. Ibid.
- 26. RABITA, January 1979, p 60.
- 27. "Muslim World League," September 1981, p 51.
- 28. Ibid., p 41.
- 29. Ibid., p 52.
- 30. RABITA, March 1979, p 24.
- 31. "Muslim World League," September 1981, p 53.
- 32. Ibid., p 50.
- 33. Ibid.

- 34. RABITA, March 1979, p 24.
- 35. Ibid.
- 36. Ibid., p 22. For details see N. A. Ivanov, "On Some Socioeconomic Aspects of Traditional Islam (as exemplified by the Arab-Ottoman Society). "Islam v Stranakh Blizhnego i Srednego Vostoka" [Islam in Near and Middle East Countries], Moscow, 1982.
- 37. THE MIDDLE EAST, September 1981, p 31.
- 38. RABITA, October 1978, p 27.
- 39. Ibid., March 1979, p 24.
- 40. Ibid., October 1978, p 32.
- 41. AR-RABITA AL'-ALYAM AL-ISLAMI, Mecca, 9 February 1976.
- 42. RABITA, 1978, p 32.
- 43. THE MIDDLE EAST, September 1981, p 31.
- 44. RABITA, July 1977, p 8.
- 45. THE MIDDLE EAST, September 1981, p 30.
- 46. A. I. Ionova, "Islam and International Economic Cooperation," AZIYA I AFRIKA SEGODNYA, No 3, 1983, p 16.
- 47. "Muslim World League," October 1981, p 30.
- 48. RABITA, March 1979, p 22.
- 49. According to this principle, the share of each partner in the enterprise's profit is based not on the percentage of capital owned but on a special contract—akd; enterprise losses are also shared by the partners according to the contract. The activities of Islamic banks are based on the principle of musharaka and its varieties (mudaraba, murabaha, kirad, mufawada, etc.). See "Islam. Kratkiy Spravochnik" [Islam. Brief Reference Manual], Moscow, 1983, pp 90-91.

COPYRIGHT: "Narody Azii i Afriki"
Glavnaya redaktsiya vostochnoy literatury, 1984

5003

CSO: 1807/229

OPPONENTS OF A POLITICAL SETTLEMENT OF THE AFGHAN SITUATION

Moscow NARODY AZII I AFRIKI in Russian No 2, Mar-Apr 84 pp 40-50

[Article by I. D. Savel'yev]

[Text] The stressed situation surrounding Afghanistan, maintained by the fault of imperialist countries and the states which support them, is one of the most clear indicators of the aggravated situation in the world at the start of the 1980s. In pursuing their undeclared war on the Democratic Republic of Afghanistan, the forces of imperialism and reaction are trying not only to turn back the process of consolidating the gains of the Afghan 1978 National Democratic Revolution and to worsen the international position of the DRA [Democratic Republic of Afghanistan] but also to maintain for a long period of time a hotbed of tension near the southern border of the USSR. Foreign intervention in DRA affairs and the activities of the Afghan counterrevolution, encouraged by the United States and its allies, are causing great harm to the Afghan national economy. As S. A. Keshtmand, DRA Council of Ministers chairman, pointed out on 11 April 1983, in the post-revolutionary period, as a result of the activities of bandit formations, 50 percent of all schools, 50 percent of all hospitals, 14 percent of state transport facilities, three-quarters of all communications lines and a considerable number of ore mining enterprises and electric power plants have been put out of commission. The overall amount of the damage totals 24 billion afghans, or onehalf of all capital investments in the development of the state sector over the last 20 years before the revolution. 1

Unlike the Western countries, Pakistan, Iran, the reactionary Muslim states and the People's Republic of China, Afghanistan is truly interested in a political settlement of its situation. The declarations of the DRA government contain a set of constructive suggestions on normalizing Afghan-Pakistani relations, developing good neighborly relations with Iran and resolving the problem of Afghans temporarily living in Pakistan or in other neighboring countries by virtue of a variety of reasons. Once the main purpose of a political settlement—determination and guaranteed nonresumption of armed interventions or of any other forms of intervention in Afghan internal affairs has been reached, "the reasons which forced Afghanistan to turn to the USSR with a request to introduce into its territory a limited Soviet military contingent would become invalid."<sup>2</sup>

In turn, the USSR has repeatedly expressed its readiness both to participate in a separate settlement of the Afghan problem and to withdraw its military

contingent from the DRA by agreement with the Afghan government (providing that the sending of counterrevolutionary gangs into Afghanistan has been terminated and this has been codified with "agreements between Afghanistan and its neighbors," and guarantees given for the nonresumption of the intervention), and to discuss problems involving Afghanistan, "related to problems of Persian Gulf security."

Sufficient time has passed since said suggestions were formulated by the DRA and the USSR for the respective countries to take a path leading to a detente in Afghanistan. And although for a number of reasons Pakistan opened indirect talks with Afghanistan through Diego Cadovez, personal representative of the United Nations secretary general (a fact which was positively rated by the DRA and the USSR), it is still difficult to speak of any substantial changes in the resolution of the Afghan problem. In order to understand the reasons of this situation let us consider the former and present positions held by the main opponents of normalizing the situation in the area.

The victory of the April revolution in Afghanistan, the energizing of the internal counterrevolution, encouraged from the outside, and unleashing an undeclared war on the DRA coincided with a period of increased imperialist efforts aimed at compensating for the tangible losses it suffered in its strategic confrontation with socialism during the 1970s. The class and military-political interests of the West as a whole, and the United States in particular, were quite clearly manifested in connection with the Saur revolution and the international aid given by the Soviet Union to the Afghan people in December 1979. Washington used the Afghan events above all as a pretext for increasing its military presence in the area of the Persian Gulf and the Indian Ocean and for applying "power pressure" on the Asian countries.

The United States actively worked to keep the "Afghan problem" "hot" and the tension in Southeast Asia steadily increasing while the Democratic Party was still in power and, particularly, under Reagan's Republican administration, as the most important means of achieving the long-term objectives of American policy in the area. In this case, in using the mechanism of the bilateral American-Pakistani 1959 cooperation agreement and military and economic pressure levers, and bearing in mind Pakistan's advantageous strategic location, the United States hoped to use it as its main link in implementing the doctrine of protecting its "vital interests" in the areas of southern and southwestern Asia adjacent to the Persian Gulf. American future plans also call for using Islamabad as an initiator for putting together an anti-Soviet and anti-Afghan bloc of Muslim countries. As to the immediate future, Washington assigned to Pakistan the role of bridgehead for aggressive actions and subversive activities directed against the DRA and the role of a base for the training of interventionists in Pakistani military camps and strong points.

The United States and other Western countries considered the Zia-ul-Haq regime in Pakistan fully "respectable" in terms of providing it with military and economic aid and eliminating its actual international isolation. In the course of the meeting between presidents Carter and Zia-ul-Haq in Washington in September 1980, the United States pledged to act in southwestern and southern Asia as a "guarantor" of Pakistan's positions, although it did not

agree to the creation of a mechanism for automatically giving military aid to Islamabad in the case of "agression" "from the North" and from India, its traditional "enemy." The American administration tried to coordinate the efforts of Western and petroleum-extracting Muslim countries in giving Islamabad financial and economic aid. However, Carter's hopes for cooperation between Western countries and conservative Arab regimes in rearming the Pakistani army fell through. That is why Washington took steps to alleviate Islamabad's difficult economic situation. In June 1980 and January 1981 the United States succeeded in postponing Pakistan's payment of its huge debt to the consortium of aid to Pakistan, which amounted to \$5.8 billion; in November 1980 the International Monetary Fund announced its decision to grant Pakistan a loan of \$1.7 billion, an amount unprecedented at that time.

Following the advent to power of a Republican administration, U.S. policy in southwest Asia became even more clearly oriented toward destabilizing the situation within and around the DRA.

On 9 March 1981 Reagan announced the U.S. intention to provide covert support to the Afghan Basmach. The high-level managers of the Afghan counterrevolution in the White House also used means such as the so-called "Afghanistan days," which were openly provocatory in nature. The amount of aid to "Afghan refugees" supplied by the United States between 1980 and 1981 totaled \$220 million. This fiscal year alone the United States has granted the Afghan counterrevolutionaries a total of \$105 million. Furthermore, no less than \$50 million is spent annually on subversive anti-Afghan activities through CIA channels.

Under Reagan, the U.S. government considerably expanded the role of "front-line state," which Pakistan had played under the Democratic administration as well, in which priority was given to the use of Islamabad as the main channel through which the Afghan rebels could be supplied with weapons. In March 1981 former U.S. secretary of state A. Haig announced Washington's intention of including Pakistan in the so-called "strategic consensus," involving the participation of Turkey, Israel and Saudi Arabia. In April 1981 he emphasized that "Pakistan is on the 'front line' of the area, the security of which is inseparably related to the security of the United States, NATO and northeast Asia, considering the U.S. dependence on Persian Gulf petroleum." Haig claimed that "in itself a stronger and self-supporting Pakistan is consistent with U.S. interests."

The increased intransigence in U.S. foreign policy, which included southwest Asia, was welcomed in Islamabad with satisfaction. In June 1981 Zia-ul-Haq noted that "the situation which has developed as a result of the events in Afghanistan was understood by Reagan better than by his predecessors. This happened essentially as a result of changed U.S. global policies."

The Pakistani leadership made skillful use for its own purposes of the increased interest shown by the Reagan administration in strengthening Zia-ul-Haq's military regime, above all in expanding the undeclared war on the DRA. In speculating on the conversion of Pakistan into a "front-line state," Islamabad asked the United States for military and economic aid as a guarantee for ensuring the combat capability of its armed forces and the stability

of the regime. Under circumstances marked by domestic political tension, the continuing "separatist" movement in Baluchistan and the uncertainty as to the mood of some army circles, receiving such aid was considered by the Pakistani leadership one of the means for neutralizing the opposition to the regime and securing the loyalty of the armed forces.

In the course of the Pakistani-American talks, Zia-ul-Haq insisted on a sharp increase in the amount of American aid. He repeatedly emphasized Pakistan's key role in ensuring the safety of the Persian Gulf and hinted at the possibility of offering the Americans bases or port facilities on Pakistani territory in exchange for the purchase of weapons. Islamabad backed its "advances" with specific action by mounting an anti-Afghan campaign in the United Nations, the Islamic Conference Organization (ICO) and the Nonaligned Movement. Together with the United States, China, Egypt and Saudi Arabia, Pakistan actively participated in mounting large-scale operations in support of the Afghan counterrevolution. As was pointed out at the March 1983 press conference given in Kabul, more than 100,000 bandits were trained in training centers on Pakistani territory between 1978 and 1983.

In turn, having announced as its foreign policy objective for southwest Asia reaching a "strategic agreement" with its friends in "repelling the Soviet threat," the Republican administration decided to prove by giving aid to Pakistan that the United States, as Haig told Congress on 30 July 1981, "is a reliable and effective partner in ensuring security."

In considering Pakistan as a country allegedly on the "front line in the face of USSR aggression," in September 1981 the United States concluded a broad agreement for military and economic aid to Pakistan totaling \$3.2 billion. At the same time, Washington agreed to sell Islamabad 40 of the latest F-16 fighter-bombers in addition to procurements based on the agreement for providing modern military equipment, including tanks, self-propelling howitzers, armored personnel carriers, assault helicopters, etc. Therefore, the agreement with Pakistan was clearly aimed against Afghanistan and, as a matter of fact, India.

Quite understandably, the establishment of "new security relations" between Washington and Zia-ul-Haq's military regime triggered the objection of the DRA. Afghanistan assessed the U.S. agreement for a large-scale militarization of Pakistan not only as Washington's desire to assign to Pakistan for an extensive period of time the part of the main base for subversive activities against the DRA and to encourage the Basmach gangs to expand their anti-Afghan counterrevolutionary activities, but as a threat to India and adventurism in the area of the Indian Ocean and the Persian Gulf. The KABUL NEW TIMES noted that "Islamabad's anti-Afghan adventurism" is being used as a "kind of commercial deal" and is aimed at "drastically increasing military aid, which is a threat to other peace-loving countries neighboring Pakistan."9

Let us note that Washington's decision to give extensive aid to Islamabad has another aspect as well: the United States is thus acquiring for a substantial period of time efficient levers for pressuring Pakistan which objectively finds itself in the fairway of American foreign policy. The 1981 Pakistani-American agreement encouraged the development of close military and political

cooperation between the two countries, although Islamabad would prefer not to publicize this in an effort to "save face" in the "Muslim world" and among the nonaligned countries.

The rearmament of the Pakistani army with American help is in full swing. After meeting Islamabad's demands, the United States government quickly settled in December 1982 the argument on installing the latest electronic equipment on F-16 aircraft assigned to Pakistan, something to which the Ziaul-Haq administration ascribed particular importance, not only from the strictly military viewpoint but also as a symbol of equality with other U.S. allies.

The opposition forces in Pakistan and the Indian press reported on the establishment of six air force bases in Baluchistan and permission which Pakistan granted the United States to set up electronic monitoring systems in Peshawar, Sargodha and Islamabad, and the secret agreement concluded between Pakistan and the United States on the use by American "rapid deployment forces" of military bases in Karachi, Gwadar and Peshawar.

Despite the overall reduction of U.S. "aid" to developing countries, during Zia-ul-Haq's December 1982 trip to the United States President Reagan assured the head of the Pakistani military administration that the amount of U.S. military and economic aid to Islamabad, stipulated in the bilateral agreement, would remain unchanged. According to the Indian newspaper THE STATESMAN, the United States found the necessary funds to provide assistance for the Pakistani militarization program by reducing its military aid to other countries. 10 According to authoritative commentators, the first official visit paid by the Pakistani president to the United States meant that Pakistan was actually granted the status of an American ally in southwestern and southern Asia. Because of Pakistan's strategic significance, the United States added Pakistan to the 19 countries to which the zone of action of the "central command," which was created on 1 January 1983, extended. During Zia-ul-Haq's visit to the United States Reagan did not touch upon a question to which Pakistan is quite sensitive: respect for "human rights." As to the Pakistani nuclear program, he was satisfied with assurances by the Pakistani president to the effect that "its nature was peaceful."

The purpose of American Secretary of State Shultz's visit to Islamabad on 2-4 July 1983 was to "tie" Pakistan even more firmly to the United States. In noting the exceptional importance of Pakistan as a "front-line state," the U.S. secretary of state reasserted Washington's intention "to help it to ensure its safety." In observing an already established tradition, like other highly placed Western visitors, Shultz made a provocatory trip along the Pakistani-Afghan border and made instigating statements to the so-called "Afghan refugees," assuring them in particular that "they were not alone in their struggle."

The Pakistani leaders have made conflicting statements on both the Afghan and the other foreign policy problems. In its talks with the Americans, Pakistan prefers to emphasize the common objectives and political principles of the two countries. Thus, in describing the results of his talks with Shultz, Zia-ul-Haq emphasized in an interview granted to the newspaper MAINITI that

"the U.S. administration takes an exceptionally objective view of such problems (concerning Afghanistan and bilateral relations—the author) and supports his principles and intentions." Meanwhile, in the international arena Islamabad frequently tries to prove its "independence" and the "autonomy" of its foreign policy. In particular, in his April 1982 speech at the meeting of the Federal Consultative Council, Zia-ul-Haq said that during the 1980— 1981 Pakistani-American talks Islamabad rejected Washington's demand for bases on Pakistani territory. During Zia-ul-Haq's visit to the United States, the American press pointed out some diverging viewpoints held by Reagan and the Pakistani president on the subject of the Pakistani-Afghan dialogue and nuances in the position held by the two countries concerning the USSR.

Characteristically, the United States is frequently "playing" on the thesis proclaimed by Pakistan concerning its resolve to pursue an "independent" policy. In our view, this reflects both Washington's confidence to the effect that it has effective means for pressuring Islamabad and the fact that the predominating trend in the development of bilateral American-Pakistani relations remains the alliance between the United States and Pakistan, which suits both countries for their private considerations and is aimed against the DRA.

Britain, the FRG, France and other Western European U.S. allies also oppose the normalizing of the Afghan situation. Immediately after December 1979, Washington not only tried to involve them in an anti-Afghan and anti-Soviet campaign, but also in the plans for giving coordinated political and economic aid to Zia-ul-Haq's military regime. However, the Common Market countries, which had assumed a critical position concerning the activities of the USSR relative to the Afghan events, refused to adopt such energetic measures to help Pakistan as Washington wished. On the political level, characteristic of the leading Western European countries was their hostile attitude toward the DRA and the sympathetic attitude toward the counterrevolutionary organizations to which they provided political and financial aid. Despite certain differences in the positions held by Great Britain, France, the FRG and other European Economic Community countries toward Afghanistan, their obligations as allies and their wish not to irritate the United States, as well as their interest in maintaining good relations with conservative Muslim petroleumexporting countries, played an essential role. Finally, in their assessment of the situation and in their southwest Asian policies, subsequent to the Afghan events all Western European countries began to ascribe to Pakistan a much greater significance, for in their eyes it had acquired further international "substance" and had become an essential factor in Western policies in the area.

It was Great Britain which, from the very beginning, not only made anti-Soviet militaristic statements but also directly participated in training and equipping Afghan Basmach organizations, 11 which initiated the very quick approval of the unified intransigent position held by EEC countries toward Afghanistan. As early as February 1980, at the Rome Conference of Ministers of Foreign Affairs of EEC countries, Lord Carrington called for the so-called "neutralization of Afghanistan," which, in his words, "would enable the USSR to withdraw its troops on a legitimate basis, in the light of the United

Nations resolution on the matter." To this effect, Carrington suggested the conclusion of an international agreement which would guarantee Afghanistan the status of a "neutral" country. The British idea of "neutralization of Afghanistan" acquired its final and somewhat broadened implementation in the 30 June 1981 statement of the European Council, which was adopted at the Luxembourg Conference. Essentially, the declaration was reduced to the suggestion of convening an international conference "to resolve the problem of Afghanistan through political means." For its first stage the permanent members of the UN Security Council, Pakistan, India and the United Nations and the ICO secretaries general or their representatives were to be invited. Some sort of "representatives of the Afghan people" would be admitted only during the second stage of the conference, at which the future status and sovereignty of Afghanistan as an independent country would be discussed.

In an interview granted to a TASS correspondent, M. M. Dost, DRA minister of foreign affairs, characterized the "suggestion" of the EEC as "essentially aimed at undermining the Afghan revolution." He pointed out that the "suggested list of participants and agenda in themselves were a clear interference in DRA domestic affairs." The position of the Western countries, which called for a discussion of the "Afghan problem" without the participation of the DRA government, the Afghan minister said, "was not only unrealistic but totally unacceptable to the Afghan people. No one can discuss, not to mention make decisions or resolve problems, relative to the sovereign rights of the Afghan people."12

This EEC "initiative" did not meet with significant international response. Neither the efforts, launched as early as 1980, of increasing support for the idea of establishing a "neutral and nonaligned Afghanistan" by gaining the support of ASEAN, nor subsequent active diplomatic efforts on the part of Great Britain (including on the highest level—in the course of Thatcher's visit to Pakistan in October 1981) yielded any results relative to the suggestion of the "Ten." Nevertheless, it is possible that the Common Market policy on the "Afghan problem," coordinated on the political level, will be used as an additional factor which would increase the inconsistency of Pakistan's course concerning the "Afghan problem" and, consequently, would delay possibilities of really settling the situation regarding the DRA.

We already pointed out that the policy of the Western European countries, within the framework of their proclaimed unified view on Afghanistan, includes some differences. Thus, according to many observers, France, which opposes the resumption of the "cold war," initially called for a "softer" criticism of the USSR than did Great Britain. In January 1981 Giscard d'Estaing called for convening a "conference on nonintervention in Afghanistan." He suggested that Iran, India and a representative of the Islamic community attend the conference in addition to the permanent members of the Security Council and Pakistan. The French president did not contemplate the participation of representatives of the Afghan government in such a conference which, as he particularly emphasized, would discuss not the status of Afghanistan but "ending intervention in Afghanistan" as a prerequisite for restoring its status as a nonaligned country.

Having failed in gaining any substantial support, France did not repeat its suggestion. Instead, in the summer of 1981, it joined the familiar EEC initiative on the "neutralization" of Afghanistan. A certain intransigence in the French position on Afghanistan subsequently became apparent, following the election of Mitterrand as president. For an extended period of time Paris has based maintaining political relations with the USSR on a high level on changes in Soviet policy on the "Afghan problem," essentially based on an anti-Afghan platform. The French Socialist Party is continuing its support of Afghan counterrevolutionary organizations. The French special services are equipping such organizations with radio transmitters with which they engage in instilling hostility against the DRA. Zia-ul-Haq, the Pakistani president, visited France in January 1982 and met with President Mitterrand, which meant in fact that France extended full recognition to the military regime in Pakistan.

Unlike Britain and France, the FRG government has not taken independent initiatives concerning Afghanistan, supporting the general EEC approach on this question. However, its position cannot be described as passive. Thus, according to the newspaper GENERAL ANZEIGER, which is close to the FRG Ministry of Foreign Affairs, the government in that country considered the possibility of establishing direct contacts with the "liberation movements in Afghanistan" after H.-D. Genscher held a consultation with 13 West German ambassadors to Islamic countries in Islamabad. As B. Karmal emphasized in an interview granted to the journal DER SPIEGEL, "the reactionary forces in Afghanistan are supported by West Germany. The Afghan people are deeply disappointed by the fact that West Germany is offering shelter to the reactionaries." Another expression of this support was the fact that Gulbuddin Hekmatyar, the head of a large Basmach organization, who visited the FRG in February 1981 on the invitation of the CDU, was received at the FRG Ministry of Foreign Affairs.

Following the new CDU-CSU-FDP government in November 1982, during his first visit to the United States as chancellor, Kohl expressed his full support of Reagan's anti-Soviet course on the "Afghan problem" with extremely tough statements toward the USSR and the DRA.

The position held by the ICO right wing, the representative of the conservative Muslim countries, remains a major obstacle to settling the Afghan problem. We know that the decision of the ICO extraordinary session on expelling Afghanistan from its membership and its unequivocal support of the activities of the Afghan Basmach organizations, and the tone and nature of the resolution on Afghanistan placed the ICO in a position of extreme opposition to the DRA and the USSR, as though registering the lowest "reading" in the policy of confrontation with the DRA. It is thus that the ICO offered Islamabad a convenient pretext to refuse holding talks with the DRA government. Furthermore, the countries which participated in the January 1980 conference approved the provocatory principles for settling the "Afghan crisis." The framework within which the ICO members were to coordinate their further activities relative to the "Afghan problem" was defined. In the final account, the formulation of these principles indicated full support for the Pakistani position on the Afghan problem.

The ICO adopted somewhat more restrained resolutions on Afghanistan at its May 1980 Islamabad conference. However, it did not depart from its initial position on the main problems. The so-called Committee for Afghanistan, which was established at that conference, was assigned to find ways to resolve the Afghan problem on the basis of already approved settlement principles. This meant open interference in internal DRA affairs. The intention of the ICO to act as an impartial umpire, depriving the Afghan government of any possibility of expressing its views at the conferences of this organization and, conversely, encouraging the efforts of the Afghan counterrevolutionaries to unite and establish something like a government in exile, doomed the activities of the Committee for Afghanistan to failure from its inception. Later on, profound contradictions in the policies of the Muslim countries led both to the failure of the initial attempts by Islamabad and the conservative ICO nucleus to create a united front of struggle against the DRA as well as the gradual withdrawal of the ICO from the positions formulated at the January 1980 extraordinary session and the adoption of a more moderate viewpoint on the "Afghan problem." The unwillingness of Muslim countries to become involved in the cold war between the USSR and the United States and to "ally themselves to the Western countries against the Russians," noted by Habib Shatti, the organization's secretary general, also played a role in the somewhat modified positions assumed by the ICO.

The negative influence of the reactionary Muslim countries on Pakistan's position on the "Afghan problem" cannot be underestimated. In this case the financial and economic dependence of Islamabad on petroleum-producing Arab countries, which form the right wing of the ICO, plays a decisive role here. Thus, according to the newspaper MUSLIM, Pakistan's debt to petroleum-producing countries exceeds \$2 billion; in 1983 these countries were scheduled to receive a repayment installment of \$146 million. Hence the strong political pressure exerted by the Islamic members of the ICO on Islamabad. American scientist S. Harrison classifies this pressure among the main factors which define Pakistan's position on providing comprehensive support to the so-called "Afghan resistance forces." While letting the ICO play the role of a reserve means of pressure on the DRA and the USSR, whether it wishes it or not, Pakistan cannot ignore the ICO in its Afghan diplomacy.

Iran's position concerning the Afghan problem is clearly negative. From the very beginning, the country's religious leadership encouraged subversive activities against the DRA from its territory and has given substantial support to the organizations of the Afghan "mujaheddin." Iran's leadership believes that the situation of Afghanistan must be settled on the basis of the "principles of Islam and nonalignment." This view, which was included in the July 1982 declaration of the Iranian government, was formulated after the complete collapse of the extremist "Afghanistan plan" which had been suggested by the Iranian Ministry of Foreign Affairs in October 1981. The plan called for creating "peace support forces" based on the armed forces of Pakistan, Iran and a third Islamic country (i.e., it essentially stipulated the occupation of DRA territory), the establishment of a "constituent council" consisting of representatives of the "responsible and militant clergy" of the Islamic world and general elections in Afghanistan, to which was added the suggestion of holding quadripartite talks among Iran, Pakistan, the

Afghan "mujaheddin" and the USSR. The Iranian plan was significantly harsher compared to Pakistan's position held on the "Afghan problem," and it was no accident that Teheran refused to send a representative to the indirect talks conducted between Afghanistan and Pakistan in Geneva. No positive Iranian changes toward the Afghan problem have been noted subsequent to the formulation of this plan.

China's policy as well is an obstacle to normalizing the Afghan situation. We know that even before December 1979 the PRC had tried to worsen the international situation of the DRA by urging on Iran under the shah and Pakistan to actions which, as China's leadership hoped, could destabilize the republic's internal situation. The activities of pro-Maoist organizations in the DRA became significantly energized in 1979. Independently as well as in concert with Islamic counterrevolutionary groups, they were undermining the gains of the Afghan revolution from within.

China reacted to the international aid which the Soviet Union gave the DRA extremely sharply. The PRC leaders did everything possible to frighten the developing countries with the "threat" presented by the USSR which, allegedly, threatened them after December 1979. This line in China's foreign policy propaganda remained virtually unchanged even after certain changes were made in the PRC's foreign policy course: in his report submitted to the 12th CPC Congress, Hu Yoban slanderously defined USSR military assistance to the DRA as an action "presenting a serious threat to peace in Asia."

The Chinese leadership has assigned Pakistan the role of "front-line state" on the "front line of the struggle against hegemonism." In addition to such considerations, the increased interest shown by the PRC in Pakistan after the Afghan events was determined both by Pakistan's strategic location and the need to regain its reputation of "reliable ally of the developing countries."

In the opinion of the PRC leadership, comprehensively strengthening Pakistan's defense capability, combined with active political support in the international arena of its position on the "Afghan problem," should have provided proper conditions for increasing Islamabad's interference in DRA domestic affairs and continued involvement of Pakistani authorities in the undeclared war on Afghanistan. China is interested in maintaining the Pakistani-Afghan contradictions and preserving on Pakistani territory bases for training bandit formations sent into DRA territory. The Afghan press and that of many other countries have frequently justifiably pointed out Beijing's involvement in military and financial aid to counterrevolutionary organizations set up outside the DRA.

The line followed by the Chinese leadership of creating a "stable" Pakistan defines its tolerant attitude toward the conclusion of the big Pakistani-American deal on procurements of the latest American weapons and granting substantial economic aid to Islamabad. 17

China and Pakistan are cooperating in the implementation of Pakistan's nuclear program. The fact that China helped Pakistan in developing a nuclear weapon was mentioned in particular by members of American intelligence at hearings held by the Senate Foreign Affairs Committee. 18 The U.S. press

wrote that "the Chinese have created conditions enabling Pakistan, while continuing its efforts to develop an atom bomb, not to engage in early nuclear tests which would deprive it of American military aid. China granted Pakistan secret information on designing nuclear bombs, which would help Pakistan in its efforts to develop capacities for the production of nuclear armaments."

19 According to the British journal NEW SCIENTIST, the question of testing Pakistani nuclear systems on Chinese territory was raised during the 1981 talks between Pakistan and China. 20

On the political level, the Chinese leadership has invariably supported Islamabad's rigid position on the Afghan problem. As a rule, in their speeches China's leaders have appealed for increased support of the so-called "Afghan refugees." In practice, in terms of Islamabad, China's position relative to Afghanistan is reduced to systematically repeated reminders to Zia-ul-Haq's military administration of the danger "of falling into the trap" of a political settlement of the so-called "Afghan problem," either through direct or indirect talks with the DRA or linking problems relative to Afghanistan to problems of Persian Gulf security. Such reminders are systematically repeated during high-level visits to Pakistan. The PRC leadership realizes that any step taken toward easing the gravity of the Afghan problem would make even more unrealistic achieving its task of "turning Afghanistan into a vanguard in the struggle against the USSR." While rating highly Pakistan's position on the "Afghan problem," and publicly promising support (for example, at the 1 June 1981 dinner in Islamabad, Zhou Ziyang, CPR State Council premiere, noted "Islamabad's principled position" as a contribution to "strengthening peace and security in south Asia and throughout the world"), China's emphasis changes in accordance with its foreign policy doctrines. Thus, while officially expressing limited support for Pakistan's "efforts" allegedly aimed at reaching a political settlement in Afghanistan, on 19 October 1982 Zhou Ziyang reemphasized that the "Afghan forces of people's resistance" are the "decisive factor" in settling this problem. It was no accident that it was precisely in the PRC that Zia-ul-Haq called for convening an international conference on Afghanistan in which, in addition to Pakistan, Iran, Afghanistan, the United States, the USSR and China, "representatives of the Afghan population," obviously meaning the Afghan counterrevolutionaries, would be invited. The idea suggested by Zia-ul-Haq of including the Afghan Basmach in the process of political settlement met with the full support of the Chinese leadership.

From time to time both Pakistan and China emphasize the "invariable" and "identical" nature of their positions on the "Afghan problem." The Pakistani leaders try to coordinate the nuances of their "Afghan policy" with Beijing. As a rule, the inconsistency of Islamabad's policy becomes more evident after such coordinations. In fact, the PRC leaders help Islamabad to pursue its unrealistic course toward the DRA and blocked even the mere hint of a trend which appeared at a certain stage among the Pakistani leadership of taking into consideration the real factors of the Afghan situation.

China is not inclined to take Pakistan's "regional interests" into consideration. It considers the preservation of the tension surrounding Afghanistan a long-term objective of its global policy. (It is no accident that even after

a certain change in the PRC's foreign policy course at the 12th CPC Congress, the withdrawal of Soviet troops from Afghanistan remains one of the preliminary Chinese conditions for normalizing relations with the USSR.) If necessary, Beijing has substantial possibilities of exerting strong pressure on Islamabad. In particular, the Pakistani leaders painfully react to any hint at normalizing Sino-Indian relations and at the recent tendency shown by the Chinese leaders to avoid publicly proclaiming their support of Pakistan on the Kashmir problem. Therefore, in the final account the "China factor" is exerting a strong restraining influence on Islamabad on the "Afghan problem," triggering in the Pakistani leadership periodical and recurrent manifestations of anti-Sovietism and the desire to extend the "freeze" in settling the Afghan situation or to achieve such a settlement on the basis of unrealistic conditions.

Therefore, the sharp confrontation between the forces of progress and democracy, on the one hand, and the reactionary forces, on the other, on settling the Afghan situation remains. As the leaders of the DRA have repeatedly stated, the main thing is putting an end to interference in the country's domestic affairs. Despite the difficulty of the situation, the ways to a political solution of the Afghan problem remains open; they have been clearly indicated in respective statements made by Afghan and Soviet leaders. The principled yet flexible positions held by the DRA on the entire set of problems related to the Afghan crisis largely contributed to the initiation of indirect Afghan-Pakistani talks in Geneva. In his assessment of these talks, Yu. V. Andropov noted that "it is true that they are difficult, for the Pakistanis, one could say, are holding on to the sleeve of their overseas friends. Nevertheless, we believe that these talks offer some prospects."21 Under the present circumstances, Islamabad's position assumes particular importance in resolving the Afghan problem. In the final account, the Pakistani leadership will be facing a choice: either to continue its involvement in the undeclared war on the DRA, under the pressure of the United States and other zealous opponents of the Afghan revolution, thus objectively undermining its own international positions, or gradually to normalize relations with Afghanistan, which would significantly improve the situation in southwestern and southern Asia and would strengthen the security of Pakistan itself. sooner the opponents of normalizing the Afghan situation realize the total futility of their plans, the faster will peace and tranquility be restored in the area.

# **FOOTNOTES**

- HAKIKATE INKILABI SAUR, 12 April 1983.
- 2. Declaration by the government of the Democratic Republic of Afghanistan, PRAVDA, 26 August 1981.
- "Materialy XXVI S"yezda KPSS" [Materials of the 26th CPSU Congress], Moscow, 1982, p 13.
- 4. Ibid., p 29.

- 5. Only one head of government--that of Djibouti--visited Pakistan in 1979.
- 6. MUSLIM, 10 December 1981.
- 7. PRAVDA, 29 November 1982.
- 8. [omitted in the original]
- 9. KABUL NEW TIMES, 7 July 1981.
- 10. THE STATESMAN, 8 February 1983.
- 11. B. Karmal listed Great Britain among the countries directly involved in the "bases and training camps" in Pakistan (BLITZ, 7 March 1980).
- 12. PRAVDA, 15 July 1981.
- 13. For example, in October 1981 the French Socialist Party invited to its congress a delegation of representatives of the Afghan rebels.
- 14. GENERALANZEIGER, 13 March 1981.
- 15. DER SPIEGEL, 31 March 1980.
- 16. Selig S. Harrison, "In Afghanistan's Shadow: Baluch Nationalism and Soviet Temptations," Washington, 1981.
- 17. Deng Xiaping initially criticized the U.S. suggestion of granting Pakistan aid totaling \$100 million as "not worth very much," proving that "American's policy toward southern Asia is indecisive" (CHRISTIAN SCIENCE MONITOR, 4 February 1980).
- 18. THE NEW YORK TIMES, 8 December 1982.
- 19. THE WASHINGTON POST, 28 January 1983.
- 20. Quoted from THE TIMES OF INDIA, 24 July 1981.
- 21. PRAVDA, 25 April 1983.

COPYRIGHT: "Narody Azii i Afrikii"
Glavnaya redaktsiya vostochnoy literatury, 1984

5003

CSO: 1807/229

PROBLEMS OF ESTABLISHING AN ARAB FINANCIAL CENTER

Moscow NARODY AZII I AFRIKII in Russian No 2, Mar-Apr 84 pp 111-118

[Article by A. M. Sarchev]

[Text] The rapid development of Arab financial markets is based on the significant increase in the income of petroleum-exporting countries in the Persian Gulf as a result of the increased world petroleum prices during the 1970s and beginning of the 1980s, and the related growth of national industrial sectors and expanded foreign economic relations of Arab countries. 1 Presently a thick network of banking and financial institutions already exists in the Arab areas; numerous branches and agencies of the largest banks of various countries have been opened. Whereas as late as the mid-1970s there were virtually no institutionalized foundations for a global financial center in the Arab East, at the beginning of the 1980s stock markets appeared and developed here, central monetary authorities expanded their activities, a "banking infrastructure,"2 equipped with excellent telecommunications with all parts of the world was organized, the necessary buildings, hotels, etc., were constructed, and successes were achieved in the training of native bank personnel. Kuwait became an international market for long-term securities; Bahrain and the UAE [United Arab Emirates] became centers for short-term Euromonetary operations and gold and precious metal markets; Saudi Arabia became a gold market and the largest supplier of loan capital in the area and in the international arena.

Only eight of the 50 largest Arab banks in terms of assets (in excess of \$1 billion) existed until the beginning of the 1960s; 16 were established during the 1960s and 26, i.e., more than half, were opened during the 1970s and the beginning of the 1980s (see Table 1). The number of Arab banks and their capital are growing at an exceptionally fast pace. The increase in the capital owned by Arab banks and financial institutions has become a steady trend. This has increased their possibility of competing with Western banks; the number of operations is increasing along with the significant growth of their assets and they are offering increasingly diversified services. From 1980 to 1982 the position of Arab banks among the 500 biggest banks in the world in terms of assets changed as follows: the Rafidain Bank moved from 160th to 101st place; the National Commercial Bank of Saudi Arabia moved from 154th to 130th; the National Bank of Kuwait moved from the 252nd to the 197th place; the National Bank of Abu Dhabi moved from 256th to 225th and the Arab Banking Corporation from 487th to 282nd.

Currently three trends in the development of banking in the Arab area have been defined. First, national financial and banking institutions of individual Arab countries—Saudi Arabia, Kuwait, UAE, Bahrain, and others—are becoming stronger. Secondly, the number of agencies and branches of Western banks is increasing in virtually all Middle Eastern countries. Thirdly, the activities of Arab banks are becoming more international and the number of their own agencies and branches throughout the world is increasing.

Table 1
The 50 Largest Arab Banks

The Jo Largest Arab Bank	5	
,		Total Bank
<b>-</b> 1	Year of	Assets (bil-
Bank Name	<u>Founding</u>	<u>lion dollars)</u>
National Commercial Bank of Saudi Arabia	1938	14.9
Rafidain Bank	1941	8.8
Arab Bank	1930	7.1
Banque Nationale d'Algerie	1966	6.3
Banque Exterieure d'Algerie	1967	5.9
Bank of Credit and Commerce International	1972	5.3
Commercial Bank of Kuwait	1961	5 <b>.</b> 1
National Bank of Kuwait	1952	5.0
Union de Banques Arabes et Françaises	1970	4.8
National Bank of Abu Dhabi	1968	4.7
Alahli Bank of Kuwait	1967	4.7
National Bank of Egypt	1898	4.4
Gulf Bank	1960	4.2
Ryadh Bank	1957	4.2
Bank Misr	1920	3.7
Libyan-Arab Foreign Bank	1972	3.7
Commercial Bank of Syria	1967	3.3
Al Bank al-Saudi al-Fransi	1977	3.2
Credit Populaire d'Algerie	1966	3.0
Gulf International Bank	1975	2.9
Arab-African International Bank	1964	2.7
Saudi International Bank	1975	2.7
Wahda Bank	1970	2.5
Banque du Caire	1952	2.4
Banque Arabe et Internationale d'Investissements	1973	2.4
Saudi-American Bank	1980	2.1
National Commercial Bank	1970	2.1
Bank of Kuwait and Middle East	1971	2.0
European Arab Holding	1972	1.9
Arab Banking Corporation	1980	1.9
Bank of Alexandria	1957	1.8
Al Bank al-Saudi al-Hollandi	1977	1.7
Saudi-Cairo Bank	1979	1.6
Banque Intercontinentale Arabe	1975	1.5
Bergen Bank	1975	1.5
Saudi Investment Bank, Inc.	1976	1.4
Jamahiriya Bank	1969	1.3

Union Mediterraneenne de Banques	1975	1.2
Saudi British Bank	1978	1.2
UBAF Bank	1972	1.2
Bank al-Jazira	1976	1.1
National Bank of Dubai	1963	1.1
Arab International Bank	1971	1.1
Qatar National Bank	1965	1.1
Banque Marocaine du Commerce Exterieur	1959	1.1
United Bank of Kuwait	1966	1.0
Bank of Oman	1967	1.0
Bank of Bahrain and Kuwait	1971	1.0
UBAF Arab-American Bank	1976	1.0
Union Bank of the Middle East	1977	1.0

Source: IMF Bulletin, 15 February 1982.

The first trend is expressed in the creation of a central bank in the United Arab Emirates, the unification of the financial structures of the emirates and the fast growth of the combined assets of the banks, which accounted for 33 percent of the total in 1982.4 In 1982 seven of the largest commercial banks of Kuwait opened some 20 new branches in the country, thus reaching a total of 130.5 Between 1979 and 1982 the amount of personal deposits in Kuwaiti banks increased by 25-30 percent annually. The Kuwait stock market is the eighth largest in the world; its 1981 operations totaled \$6.5 billion. 7 Kuwait is expanding its operations in the international market in bonds in Kuwaiti dinars; the value of such bonds has exceeded 1.7 billion.8 A secondary market in securities and up to 4-year promissory notes is developing. Currency and credit markets operating in Saudi rials and Kuwaiti dinars are strengthening in Bahrain, etc. The assets of commercial banks in Saudi Arabia, Kuwait and the UAE increased from \$2.4 billion to \$31.9 billion from 1973 to 1981 and now account for almost 2 percent of the assets of commercial banks in all developed capitalist countries combined.

Bahrain became the most important Middle Eastern center for the concentration of foreign banks. Currently it numbers as many as 120 international banking institutions, 68 of which are engaged in Eurocurrency operations, having established a new international "offshore" financial center. The growth of Eurocurrency business in Bahrain has been striking. Whereas in 1975 the assets of the international banks of the "offshore" center in the country totaled \$1.7 billion, by 1978 they had reached \$23.2 billion<sup>10</sup>, increasing to \$57.8 billion in June 1982, 10 or 3 percent of all operations in the world Eurocurrency market. 12 In this area Bahrain has become the 10th largest country in the world. This is explained by the fact that the country has no currency control whatsoever or any restrictions on the moving of capital or transfer of profits. Furthermore, the Arab financial markets make it possible to engage in currency operations after the Far Eastern markets have closed and the European financial markets have not opened yet, and facilitate access to "petroleum" money.

Table 2
Balance Sheet for Current Operations and Foreign Assets of OPEC Members
(in billion dollars)

Indicator	End 1973	1974	1975	1976	1977	1978	1979	1980	1981*	1982*
Foreign Assets (End of Year)	7.1	60.3	95.5	131.3	164.3	178.2	244.3	350.3	407.7	392.7
Total Balance										
Current Operation	ns	53.2	35.2	35.8	33.4	13.4	66.0	106.0	57.5	-15.0
Including:										
Saudi Arabia		23.0	13.9	13.8	12.7	-1.0	10.9	41.4	42.0	10.1
Kuwait		7.3	5.9	6.9	4.7	5.1	14.2	17.3		

Sources: OAPEC Bulletin. 1982, August/September, p 22; INTERNATIONAL EDITION, ECONOMIC BENCHMARKS, No 2, Vol 5, 1982, p 7.

### \*Estimate.

The accumulation of nearly \$400 billion in foreign assets (see Table 2) by petroleum-exporting countries, of which as much as 60 percent belong to only two countries--Saudi Arabia and Kuwait--provided an impetus for the further process of internationalization of the activities of Arab banks, aimed at the more extensive participation of Arab banking and financial institutions in placing "petroleum" money abroad. Currently, however, only \$25-30 billion or 10 percent of total Arab assets abroad are in Arab banks engaged in currency operations. 13

In 1981 approximately 26.1 percent of loans negotiated on international markets in European currencies (\$23.9 billion) were granted by the banking syndicates headed by the largest Arab financial institutions (see Table 3). By the end of 1979 the combined capital of the 25 largest Arab banks in Europe totaled 2.4 billion; their assets totaled 51 billion, 14 which, according to available estimates, would double at the beginning of 1983.

London and Paris are the traditional centers of Arab banking activities outside the Middle East. Here as many as 68 branches of Arab banks are located, many of them established during the past 2-3 years. The banks of rich petroleum exporters have also gone to New York, Tokyo, Singapore, Hong Kong and a number of Latin American countries (see Table 4). "The main banking centers in the world, the journal BANKERS' MAGAZINE points out, "are beginning to become accustomed to the presence of Arab banks." 15

Despite a worsening of the financial position of petroleum-extracting countries in 1981-1983, their banks and investment institutions are continuing

Table 3
Role of Arab Countries on the Markets of Bank Loans
in European Currencies

#### Borrowers

Loan Amounts	Year	Developed capitalist countries	Developing non-OPEC mem- ber countries	Total
Total loans granted	1978	29.0	26.7	70.2
(billion dollars	1979	27.2	35.2	82.8
	1980	39.1	23.5	77.4
•	1981	44.0	24.0	91.4
Syndicated loans granted by	1978	1.4	2.4	6.9
consortiums headed by Arab	1979	2.2	2.2	7.7
banks (billion dollars)	1980	3.3	3.2	8.0
	1981	10.5	10.2	23.9
Share of Arab syndicated	1978	5.1	9.0	9.9
loans of the overall	1979	7.9	6.3	9.3
volume of Eurocredits $(\%)$	1980	8.4	13.5	10.3
	1981	23.9	56.3	26.1

Source: THE BANKER, December 1980, p 162; December 1982, p 132.

to develop successfully, although more slowly compared to the period of the second "petroleum crisis." Furthermore, considering the higher risk of making bank loans and the shortage of international liquidity, the Arab establishments have relatively better opportunities to energize their crediting activities compared to the leading banks in the developed capitalist countries. This is confirmed by an important indicator such as the average bank ratio of owned capital to assets: in 1981 it equaled 5.49 percent for the 50 leading Arab banks, compared to no more than 3.48 percent for the 50 largest Western banks, who in a number of cases had reached the maximum lending risk. Furthermore, most Arab banks have not as yet been able to participate in making higher risk loans to the developing countries with their high foreign indebtedness. The continuing comprehensive involvement of Arab state and private banks in the relatively fast economic development of their area creates long-term prerequisites for their increasingly active involvement in large international financial and crediting operations.

During the 1970s Saudi Arabia, Kuwait and several other Persian Gulf countries developed into very big gold markets. The gold they acquire is purchased by local customers, resold to other countries, essentially India and Pakistan, or is shipped back to some European countries, Italy for example, for purification and jewelry manufacturing. Between 1975 and 1981 the Arab Middle Eastern countries accounted for 3.9-9.6 percent of the global net gold purchases; <sup>17</sup> in 1981 the countries in the area purchased 300 tons of gold or 32 percent of the world's output; they purchased another 190 tons in 1982. <sup>18</sup>

Table 4
Spreading of Arab Banks by Country and Territory\*

			•		No. of Ar	ab Banka
	and the second second		Minimal and M	With Assets in		
	No. of A	rab Banks	of Arab Ban		Excess of	-
	in the	Country		.11ion dollars)		Country
Country	1980	1982	1980	1982	1980	1982
Algeria	3	3	2.5-6.5	3.3-11.4	3	3
Bahrain	6	7	0.3-1.4	0.4-4.8	2	5
Egypt	8	11	0.3-4.2	0.4-5.7	6	6
Iraq	1	1	8.8	18.0	1	1
Jordan	1	1	4.2	8.4	1	1
Kuwait	7	7	0.3-3.6	1.2-6.9	6	7
Lebanon	8	5	0.3-0.6	0.4-0.7		
Libya	6	6	0.5-2.6	1.0-5.8	4	6
Morocco	6	5	0.3-1.5	0.4-1.4	2	2
Oman	1	1	0.2	0.5		
PDR of Yemen	1	1	0.3	0.5		
Qatar	1	1	1.4	1.5	1	1
Saudi Arabia	9	10	0.3-7.7	0.9-12.1	3	9
Sudan	3	2	0.3-0.6	0.5-0.6		
Syria	1	1	3.1	4.3	1	1
Tunisia	6	6	0.4-1.7	0.3-1.9	2	1
United Arab						
Emirates	8	9	0.4-4.9	0.5-6.2	1	3
France	. 8	6	0.3-4.0	0.4-5.8	. 5	4
Italy	1	1	0.6	0.7		
Luxembourg	5	4.	0.3-3.9	0.6-7.3	3	3
Spain	1	1	1.3	1.4	1	1
Switzerland	1	1	0.3	0.4		
Great Britain	4	4	0.3-1.8	0.6-3.9	2	3
United States	2	4	0.4-0.8	0.5-2.6		2
Hong Kong	1	1	0.4	0.5		
Peru	1	1	0.9	2.1		1

Sources: THE BANKER, December 1980, p 165; December 1982, p 132.

The Arab financial center is developing through sharp conflicts and a variety of obstacles. The great role which the state sector plays in the economy, characteristic of the Arab countries, has a conflicting effect on its development. The state authorities are the recipients of virtually the entire earnings from export, a small percentage of which indirectly falls into the hands of domestic private capital markets, also controlled by the state. In Saudi Arabia, Kuwait and many other countries the state strictly monitors the activities of financial markets and actively intervenes in their operation. The activities of state organs in regulating exchange rates occasionally create stronger fluctuations in the small local markets compared to

<sup>\*</sup>Data for the 100 largest Arab banks.

"free-floating." This also increases the risk of engaging in currency and lending operations. Payments for petroleum go into the accounts of the state currency bodies on a quarterly basis; in order not to lose any income from the interest earned on invested capital, such funds must be placed immediately and reliably. However, so far "petroleum" funds lack opportunities for efficient and quick placement in full in the Arab region, and some are immediately transferred to the markets of the developed capitalist countries.

Many Arab countries have virtually no legal infrastructure or institutions which could efficiently settle arguments between borrowers and lenders; they have no modern laws regulating insurance, guarantees or confidential operations. National currencies are not rated in terms of other Arab currencies. Therefore, many of the deals are concluded on the markets of the developed capitalist countries in international currencies. The financial laws of the Persian Gulf countries call for quoting bonds and securities on the international stock markets, which disqualifies quotations of bond loans on local markets. All of this creates difficult problems in conducting operations in the area and hinders the attraction of foreign capital. Furthermore, it encourages the outflow of funds in the direction of the Western markets, thus making the Arab countries monetarily dependent on the industrially developed states. Between the end of the 1970s and beginning of the 1980s some governments, such as Kuwait and Bahrain, began to practice a more intensive policy aimed at developing their own private banking and financial institutions and increasing their competitiveness in the world arena for that purpose.

Despite the fast expansion of the network of Arab banks, the capital they own and their assets are still insufficient to compete with the largest Western banking monopolies. The average bank capital in the Middle East is \$10-25 million, which makes the Arab banks small on a global scale. For example, the assets of Citicorp —the largest bank in the world—total approximately \$110 billion, i.e., they are superior to the combined assets of the 20 largest Arab banks. 19

The Arab countries set up a variety of state and intergovernmental development funds, the assets of which go into private banking circulation in order to support the local financial markets. The Persian Gulf countries have been steadily working on the establishment of a single clearing unit and, in the future, a single Arab currency and payment system for the Gulf countries. It cannot be said that these efforts have been successful. This is due, above all, to the poor economic relations existing among Arab countries.

The interest rate fluctuations on the monetary markets of Western countries greatly influence the development of the financial center in the Arab area. The directions followed by the "petroleum" money flows are somewhat affected by this phenomenon. As a result of the lack of rigid currency controls in the Arab East and the unwillingness of its governments to raise interest rates on the local markets to their international level, in order to avoid inflationary pressures, the average disparity between local interest rates and interest paid on dollar deposits on European markets has traditionally ranged between 2 and 3 percent, occasionally rising as high as 20 percent.<sup>20</sup>

The situation on the Kuwaiti monetary market is a typical example. Here the average depositor earns in Kuwaiti dinars interest which is lower than at international markets, for in order to fight inflation, the Central Bank of Kuwait has established maximal ceilings for the fluctuations of interest rates: guaranteed 1-year loans, 7 percent; non-guaranteed 1-year loans, 8.5 percent; more than 1-year loans, 10 percent; and quarterly deposits in Kuwaiti dinars, 15 percent. The moment Western interest rates rise above said maximums (as was the case in 1980, when the average interest on 3-month deposits on the Eurodollar market reached 17.6 percent from 14.4 percent in 1979), 21 speculative capital, which seeks high and fast returns, abandoned the short-term Kuwaiti financial markets. Furthermore, the lowered interest rates on the Arab markets attract private investments in long-term securities; the trend toward equalizing the rates of interest charged on loans in Arab currencies and in dollars narrowed the possibilities of bond markets.

A certain dissemination of "Islamic principles" in economics should be pointed out as a specific process influencing the financial markets of Arab countries such as Bahrain, Jordan, Kuwait, Saudi Arabia, Sudan, United Arab Emirates and Qatar. Specifically, a concept is used the essence of which is that Islamic financial institutions neither charge nor pay fixed interest on loans and deposits. Instead of interest the depositor gains the right to a certain share of the profits (dividends) on investments financed by the bank. This makes the account owner, the bank and the company--the eventual consumer of the funds--closely interrelated. The connection between the depositor and the bank is established indirectly with the help of corresponding securities which take the place of interest-bearing notes; the link between the bank and the company is maintained through convertible certificates of a specific nominal value for subscribing banks. In 1979 alone 19 large banks operating on the basis of the "principles of Islam,"22 were opened in the Arab countries. The success of the "Islamic institutions" is determined by the fact that they have a greater ability to harness population savings compared with conventional banks. By acquiring the right to a certain share of the profits of the enterprise financed by the bank (as well as, actually, sharing the consequences of losses), the owner of the funds himself becomes an entrepreneur directly interested in the success of the project. Furthermore, such income paid on interest-free deposits may be higher than that of conventional banks, depending on the size of the profit. According to Islam the acquisition of wealth consisting of interest is egotistical, slows down investments and the creation of jobs; interest rates increase the trend toward a concentration of wealth in the hands of individuals. This view, which indeed partially reflects the nature of bank interest rates in a capitalist society, enjoys the support of the religious population which has greater faith in Islamic banks. In turn, this contributes to putting the population's savings into bank circulation and economic development. The dissemination of religious principles in banking, however, creates difficulties in making shortterm investments in the area and earning a profit on such investments. This stimulates the flow of short-term investments on international markets, for Islam allows the earning of interest from investments abroad. The ban on consumer credit, purchase of stocks or making medium- and long-term loans at fixed interest rates hinders the process of accumulation of resources. largely reduces the possibility of financial support of industrial and commercial companies through bank credit.

The military and political situation in the area cannot fail to hinder the faster development of the Arab international financial center. The international financial center which had developed in Beirut in the 1970s terminated its activities as a result of the Israeli aggression and the factional destruction of the city. The war between Iran and Iraq has made Kuwait, the United Arab Emirates and Bahrain less attractive as reliable shelters for surplus international loan capital. At the peak of the military operations the value of the stocks of companies, firms and banks of Persian Gulf countries drastically declined, while freight, insurance and general transport costs increased. The Camp David accord significantly reduced the participation of Egypt--a country with a relatively developed economy--in inter-Arab cooperation, financial included. The domestic political situation in countries with reactionary monarchic regimes as well remains stressed. It is obvious that a just, peaceful settlement of Near and Middle Eastern conflicts would bring about a more efficient development of economic, including financial relations in the area.

Let us emphasize, however, that the establishment of a new financial center in the Arab East does not confirm in the least that the petroleum-exporting countries have become more independent in international monetary-credit relations but rather the opposite: this group of countries is becoming increasingly integrated in the global capitalist economy with its specific socioeconomic contradictions. Currently the new center is continuing to act as an intermediary in the process of the flow of "petroleum" money to Western financial markets and has not as yet reached a stage at which it could compete in attracting international capital needed to satisfy the financial and credit needs of Arab countries and other developing states.

## **FOOTNOTES**

- 1. See G. G. Matyukhin, "Mirovyye Finansovyye Tsentry" [Financial Centers of the World], Moscow, 1979, p 175 and following; R. Indzhikyan, "Capital Exports From Petroleum-Exporting Countries." MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA, No 1, 1982.
- 2. V. B. Mogutin, "Banki i Mezhdunarodnyy Kapitalisticheskiy Biznes" [Banks and International Capitalist Business], Moscow, 1981, p 32.
- 3. THE BANKER, June 1980, p 161; June 1982, p 109.
- 4. Ibid., December 1982, p 79.
- 5. THE MIDDLE EAST, No 100, 1983, p 73.
- 6. Ibid., No 9, 1982, p 64.
- 7. THE ARAB ECONOMIST, March 1982, p 24.
- 8. THE FINANCIAL TIMES, 23 February 1983.
- 9. Based on "International Financial Statistics Yearbook," New York, 1983.

- 10. D. Lomax and P. Gutmann, "The Euromarkets and International Financial Policies," London, 1982, p 205.
- 11. THE MIDDLE EAST, No 100, 1983, p 60.
- 12. THE BANKER, January 1983, p 28.
- 13. THE ECONOMIST, 21 November 1982.
- 14. THE ARAB ECONOMIST, March 1982, p 28.
- 15. BANKERS' MAGAZINE, July 1981, p 20.
- 16. THE BANKER, December 1982.
- 17. Calculated from "Consolidated Gold Fields, Gold 1982," May 1982.
- 18. MEED, 12 March 1982, p 8; 3 June 1983, p 2.
- 19. Calculated from the IMF BULLETIN, 15 February 1982.
- 20. BANKERS' MAGAZINE, July 1981, p 18.
- 21. INTERNATIONAL FINANCIAL MARKETS, January 1983, New York, p 13.
- 22. THE ARAB ECONOMIST, No 148, 1982, p 30.

COPYRIGHT: "Narody Azii i Afriki"
Glavnaya redaktsiya vostochnoy literatury, 1984

5003

CSO: 1807/229

1983 WORLD ORIENTALIST CONGRESS: 'CONTEMPORARY' THEMES STRESSED

Moscow NARODY AZII I AFRIKI in Russian No 2, Mar-Apr 84 pp 131-137

[Report by L. B. Alayev: "31st International Orientalist Congress"]

[Excerpts] The 31st International Congress on Humanities Research in Asia and North Africa took place in Tokyo on 31 August-3 September 1983 and Kyoto on 5-7 September. It was attended by more than 2,000 scientists from 54 countries. The largest was the Japanese delegation; the largest foreign delegations were those of the United States and India (more than 100 people each), France, the FRG, South Korea, Canada, Great Britain, the Netherlands and others. The conference was attended by scientists from Bulgaria, Hungary, Romania, the GDR, the PRC, Mongolia, Poland and Czechoslovakia. Also attending were 16 representatives of academic institutions and educational establishments of the Soviet Union. The Soviet delegation was headed by G. F. Kim, USSR Academy of Sciences corresponding member, deputy director of the USSR Academy of Sciences Oriental Studies Institute and deputy chairman of the All-Union Association of Orientalists. The congress's work was done in sections: Cities in the Period Before the Modern Times; Monarchies and Socioreligious Traditions in the Ancient Middle East; Dissemination of Buddhism and Hindu Culture in Asia; Confucianism and Taoism in East and Southeast Asias; Religious Movements Within Islam; The Altay Peoples (History, Culture, Languages); Cultural and Economic Relations Between West and East; Precious Metals in Eastern, Southern and Southeastern Asian Trade; Traditional Science and Technology; Literary Tradition and Its Transformation; Correlation Between Text and Object in Art; Traditions and Intercultural Relations in Music, Dance and Theater; Role of Intellectuals in Law and Politics; Economic Development and Cultural Conflict; Role of Economics in Asian and African Studies; Linguistic and Cultural Relations Among Peoples of Eastern and Southeastern Asia; Ethnic History and the Problem of Identification in Southeast Asia; Social Changes and Religions in Asia; and Theatrical Aspects in the Political Process in Asia and Africa. Furthermore, the following seminars were held: Dating Techniques in Archeology; New Archaeological Discoveries and Research; Divination With Bone Casting and Inscriptions on Bronze and Bamboo; Tunhuan and Turfan Studies; Southern and Southeastern Asian Epigraphics; Computers in Asian and African Research; Japanese Sociocultural Traditions, Busi; Japanese Sociocultural Traditions, Shinto.

The largest and most complex in terms of its composition was the section on Buddhism and Hinduism. This is explained by the fact that along with the

congress and within its framework the International Association of Buddhist Studies was holding its sixth conference. All in all, 926 papers, communications and lectures were presented at the congress.

The following papers were submitted by Soviet scientists: T. V. Gamkrelidze, "Indo-European Protolanguage and the Problem of the Indo-European Prehomeland; Azerbaijan SSR Academy of Sciences Academician Z. M. Buniyatov, "Medieval Historical Compositions and Contemporary Science;" N. I. Prigarina, "'The Perfect Man' in Ikbal's Poetry and Muslim Tradition;" N. A. Simoniya, "Synthesis of the Modern and the Traditional in the Political Systems of Oriental Countries;" V. F. Li, "Intelligentsia and Political Culture in Developing Countries; "G. D. Sukharchuk, "The Demographic Problem in the Light of Chinese Tradition; "G. K. Shirokov, "Main Characteristics of the Industrial Technological Structure in Developing Asian Countries;" I. F. Vardul', "Words and Word Combinations;" V. N. Moskalenko, "The Role of Islam in Muslim Countries in South Asia (Pakistan and Bangladesh);" USSR Academy of Sciences Corresponding Member G. M. Bongard-Levin, "Archaeological Studies in Central Asia and Ancient Indian Civilization (The Kushan Age);" L. B. Alayev, "Method for the Study of Epigraphics as a Historical Source;" USSR Academy of Sciences Corresponding Member A. A. Iskenderov, "European Colonialism and the Policy of Toyotomi Hideyoshi."

The texts of the reports submitted by G. F. Kim ("Social Changes in Asia and Problems of Peace and Security on the Continent") and P. M. Shastitko ("Establishment of Soviet Orientalist Studies") were distributed among the delegates. Furthermore, pamphlets on Soviet research on problems raised for discussion at the sections and the seminars were prepared especially for the participants in the congress.

The work of the congress proved that as a whole Oriental studies were continuing to come closer to contemporary topics. On the one hand, a new generation of scientists is entering the field, engaged in the study of contemporary problems and aware of the link between traditions (and the study of all traditional topics) and the most topical problems of the present. On the other, the development of events in the East in recent years has led to the fact that scientific topics which were of no more than academic interest for a long period of time (the study of a specific medieval-Islamic sect, for example) are assuming today an entirely different topical relevance. Two sections dealt exclusively with contemporary economic and cultural problems. Contemporary topics played an important part also in discussing problems of Islam, the culture of the Altay peoples, changes in literary traditions, the role of the intelligentsia, etc. Correspondingly, a great deal of attention was paid to reports on field studies of religious and cultural situations, the economic situation of individual countries, etc.

In a number of cases the new approach to the study of religious topics was the result of interest in contemporary events. The sections on Buddhism, Hinduism, Confucianism and Taoism were relatively less politicized, although the authors of some papers considered one religion or another a panacea for today's difficulties experienced by mankind (Jainism), with its nonviolence; Buddhism with its proclamation of brotherhood among the people; and Hinduism

with its variety and adaptability). However, whenever problems of Islam were touched upon, the political aspect frequently emerged in the foreground. In the "Religious Movements in Islam" section, 18 of the 34 papers dealt with problems of contemporary Islam, including the Iranian revolution. Both clergymen from Iran and Iranian emigres in the United States participated in the work of the section. The debates between these two groups were occasionally sharp. The representatives of Iran rejected attempts to analyze events in that country with the help of concepts such as "fundamentalism," "modernism" and radicalism," insisting that what was taking place was merely a return to age-old Islamic dogma and that the country's leaders were guided by the "aspiration to implement the age-old ideals of the faith, something which is incompatible with ordinary activities of parties and similar organizations."

Noteworthy among the papers on Islamic topics were those of Sh. Akhavi (on a comparative analysis of the philosophical and political views of Khomeini, Talegani and Ali Shariati), and A. Hussein and N. Keddi (all from the United States), who tried to explain the different roles played by "fundamentalism" in the individual Muslim countries. A number of papers dealt with contemporary Pakistan. M. N. Kureishi (Pakistan) defended the "Islamic rebirth" in that country. A. Ahmad (Pakistan) adopted a more objective approach to the activities of one of the religious parties—"Jamaat-i-Islami." K. Kappola (United States) analyzed Pakistan's underground poetry during the period of Bhutto's "democratic" rule and under the present military regime. The role of Islam in politics and social changes was considered also with the examples of Turkey (P. Dumont, France), Thailand (Ch. Satha-Anand, Thailand) and other countries.

The formulation of the problems at the section on "The Role of Intellectuals in the Area of Rights and Politics" reflected the fact that in the developing countries the intelligentsia indeed plays an important role which also extends to making policy and managing the state. However, several reports and the debates reflected the aspiration of the ruling U.S. and other Western circles to preserve their ideological influence on Oriental countries by influencing their intellectual strata. Some Western and pro-Western scientists artificially inflated the role of intellectuals in the social development of Asian and African countries, thus belittling the importance of objective socioeconomic laws and, in the final account, distorting and belittling the revolutionary mission of the national proletariat (L. G. Palmer, Britain; V. L. Pandit, India).

The paper read by M. A. Haka, an American scientist of Indian origin, reflected the contemporary official American approach to global problems. He raised the thesis to the effect that "the question of human rights plays an important role in determining whether or not a country has made the conversion from feudal (colonial) society to a modern nation." In M. A. Haka's view, human rights violations in modern India make us question the maturity of Indian statehood. In the spirit of the same tradition, K. V. Kesawan analyzed the attitude toward the problem of human rights of the Japanese intellectuals. He pointed out that the latter had actively supported humanistic positions whenever it was a question of violations of human rights

abroad (in South Africa, Vietnam and South Korea), while remaining far more passive on the situation of the Korean minority in Japan itself, the rights of the burakumin (Japan's "untouchables") and so on. In this connection the report supported by the noted Sinologist B. Schwartz (United States) should be mentioned as an example of propagandist anticommunist speech. Its essence was that Maoism is the offspring of "Marxism-Leninism-Stalinism" and is totally unrelated to China's historical traditions. The report failed to generate any interest and was justly criticized by a number of participants in the congress, including Dr R. Velber (GDR), who proved the groundlessness of Schwartz's elaborations. A. P. Sharma (India) described the results of a survey of 50 Hindi-speaking intellectuals. The intelligentsia which grew up during the period of independence is not sufficiently familiar with English but serves as the link between the English-speaking political and intellectual elite and the masses; in the course of "translating" ideas of modernization into local languages, it modifies them to a substantial extent. Efforts to sum up and to create development systems for one or another national intelligentsia as a whole were made in the reports submitted by S. Ch. Tham (Singapore), who spoke on the 18th-20th-century Malay intelligentsia, and L. G. Palmer, who discussed Indonesia's intelligentsia during the period of independence.

The interestingly entitled topical "Theatrical Aspects in the Political Process in Asia and Africa" was not suitably developed in the reports. Most of them discussed the role of ritual in the exercise of power in primitive and precolonial countries, a problem which is theoretically quite clear. Noteworthy in this respect was the paper submitted by S. Awasthi (India), which provided interesting facts. The speaker described some features of the political personality of N. T. Rama Rau, the chief minister of Andhra Pradesh state, who assumed the power in February 1982, following the electoral victory of the local Telugu Desham Party he organized. Rama Rau had been previously a motion picture actor and a favorite of the youth, having played the role of the god Vishnu in his incarnations (avatar) as Rama and Krishna. From time to time, the god Vishnu assumes an earthly incarnation in order to uproot evil and restore justice. In the view of the speaker, Rama Rau, who had stated in electoral campaign documents that he had "entered the political arena in order to replace the corrupt officials and give the state an honest administration," relied on the identification of his objectives with the usual functions of the god Vishnu in the minds of the electorate. His photograph as party leader was shown on posters superimposed on a depiction of his portrayal of Vishnu. During the electoral campaign sculptures of Vishnu were placed in temples, showing a resemblance to Rama Rau. It would be difficult to determine the extent to which all of this contributed to his victory. It is known, in any case, that the defeat of the ruling Indian National Congress Party in the Andhra Pradesh elections was totally unexpected by political experts.

The question of "Economic Development and Cultural Conflict" deserves great attention. Soviet Oriental studies essentially use the stage-type approach to processes taking place in the Orient. They are considered a conflict among different development stages—among phenomena and systems representing the precapitalist, capitalist and socialist stages. Although accurate, this approach is insufficient. It cannot provide a complete picture of events,

for any one-dimensional presentation is always poorer than a two- or threedimensional one. Along with a clash of stages, a clash of cultures occurs and even conflicts of a different nature are considered cultural conflicts. The work of the section proved that this approach has not been quite developed in Western science as well. Many of the reports went beyond the framework of the problem by interpreting various matters of economic development. Others limited themselves to a consideration of specific problems, such as the position of Chinese communities in Japan (Y. Siba, Japan) and in Southeast Asia (H. W. (Skipled), United States), the position of Indian emigres in Canada (E. G. Vau, Canada), the conflict between the population of Okinawa and the Japanese authorities (N. G. Rossides, Japan), between Indian moneylenders and the local population in British Malaysia (P. G. Kratoska, Malaysia), etc. Finally, a third group of papers remained on the level of lofty summations. In most general terms their authors discussed connections between economic growth and cultural conflicts (A. E. Buss, Canada; S. Eto, Japan; K. Jain, Canada; I. Mathur, India; E. Stewart, Japan; J. Young, United States). The same problem was considered in the papers submitted by P. D. Misri (India) and E. Wilkinson (Thailand). The former claimed that initially modernization did not create a major cultural conflict in India, for it affected a small elitist stratum. After the country gained its independence and as a result of the penetration of modern ideas among the broader masses, the conflict increased. The latter expressed the view that the current commercial war waged by the United States and the European countries against Japan was caused not only by entirely obvious economic reasons but also by "cultural" incompatibility and reciprocal lack of understanding.

Considerable interest in the economic problems of developing countries was shown at the congress. Most of the papers read at the "Role of Economics in Asian and African Studies" section were by Japanese economists. To a certain extent this focused the attention on problems of the Far East and Southeast Asia. The section considered three basic problems: the role of Western economic concepts in the development of Eastern countries; changes in agriculture and in the rural-socioeconomic structure; and industrialization, share of technology and modernization of the developing countries. On the first item the Japanese economists formulated the thesis of the need for each country to find "its own" way of development (neither capitalist nor socialist) or to follow the Japanese model. The second item was developed primarily on the basis of PRC agrarian policy. The Japanese and American economists claimed that collectivization and the organization of communes in China had slowed down the pace of agricultural production, which adversely affected the entire economy; they exaggerated the role of changes in the organization of agricultural production currently taking place in China and expressed the supposition that socialist farming methods would eventually be abandoned. The third item was considered essentially with the help of examples from the Far East and Southeast Asia. The papers reflected the results of field studies conducted by Japanese scientists, particularly in the Philippines and in Thailand. The Japanese experience--the use of small and very small enterprises maintaining subcontracting relations with large enterprises, not only in their own country but abroad, including the imperialist countries--was promoted in the study of industrialization problems.

One of the congress's leitmotifs was the idea that the Orient had specific features and that the terminology and research methods developed by Western science were inapplicable to it. As we pointed out, this idea was formulated at the section on economics either in terms of searching for a "special" way of socioeconomic development for each individual country, or substantiating the need to follow the Japanese model of modernization. In the view of several reporters, the attractiveness of the Japanese experience to the ruling circles in Asian and African countries was that Japan had been able to create a developed economy without any major sociopolitical upheavals. The successful lowering of social tension was made possible by the fact that the rapid development of production forces was paralleled by equally headlong changes in the sociocultural environment. The European models of cultural development were criticized and their inapplicability to the Orient was asserted in the course of the critical (although not always convincing) discussions in the section on "Economic Development and Cultural Conflict."

All of these arguments may be reduced to the effort to substantiate the idea of the need for a "third" way under the banner of the exclusivity and specific nature of the Orient. Many of the speakers at the congress focused their efforts essentially on proving the unsuitability of a specifically capitalist model (A. J. Bous, Canada; Idzinose Homadzi, Japan) in terms of the developing countries; however, the true meaning of this idea was entirely different. It was used in an effort to deny that socialism was possible in such countries or that a socialist future was unrealistic in their case and to isolate them from the experience of real socialism and, consequently, in the final account, to substantiate a capitalist way of development.

Clearly, the trend of pitting East against West will be developed and become the main arena of the scientific and political struggle in Oriental studies. It will require a dialectical and comprehensive approach. It is important, while proving the danger of absolutizing such a confrontation, not to fall into the other extreme and try to support with Oriental data any law which may indeed have a local relevance. It is important not to abandon the basic stipulations of the Marxist view on history—the correlation between social life and awareness, the unity of the historical process, its dialectical and aggressive nature and the interaction between base and superstructure. At the same time, we must accept the thesis of the originality of the history of each individual country, the specific nature of its historical way and the impossibility of reducing specific history exclusively to global laws.

As a whole, the congress maintained a high scientific standard. Two reports—"Islam in the Soviet Union" by V. Monteuil (France) and "Soviet Central Asia in the 1980s" by S. (Vimbush) (Great Britain), which showed a clear anti-Soviet trend, met with neither support nor response. The slanderous nature of both reports was exposed in the addresses by the Soviet delegates and the scientists from socialist countries.

At the congress for the first time the Soviet scientists were represented by the All-Union Association of Orientalists (VAV), which is now a member of the International Association for Oriental and Asian Studies (MSVAI) which sponsors such congresses. Academician Ye. M. Primakov, director of the USSR Academy of Sciences Institute of Oriental Studies and chairman of the VAV, was elected one of the vice-presidents of the MSVAI, while G. F. Kim, USSR Academy of Sciences corresponding member and deputy chairman of the VAV, was made member of the bureau of that organization. The next 32nd International Congress of Orientalists will be held in Hamburg (FRG) in 1986.

COPYRIGHT: "Narody Azii i Afriki"

Glavnaya redaktsiya vostochnoy literatury, 1984.

5003

CSO: 1807/229

GEOGRAPHIC SOCIETY'S 1973-1983 RESEARCH ON ASIA, AFRICA SURVEYED

Moscow NARODY AZII I AFRIKI in Russian No 2, Mar-Apr 84 pp 138-141

[Report by B. A. Val'skaya: "Oriental Commission of the USSR Geographic Society (1973-1983)"]

[Excerpts] The Oriental Commission was established in 1955.\* Its chairman is D. A. Ol'derogge, USSR Academy of Sciences corresponding member. The Oriental Commission, which combines the efforts of various specialists, such as geographers, ethnographers, historians, linguists and economists, is engaged in comprehensive studies of Oriental countries. Its publications are widely known in our country and abroad. More than 80 members of the Geographic Society (GO) participate in the work of the Oriental Commission.

The commission concentrates essentially on the study of topical problems of geography, ethnography and history of Asian and African countries, the interconnection between man and nature, ethnopolitical and ethnocultural processes and relations in the modern Orient and the study of Oriental research history by Russian and foreign scientists and travelers. Scientific sessions are the main method of the commission's work. In 1977 the Oriental Commission held a theoretical conference on "October and the Peoples of the Orient," on the occasion of the 60th anniversary of the Great October Socialist Revolution.

The topics covered at the meetings of the Oriental Commission and its collections STRANY I NARODY VOSTOKA are extensive and varied. They deal with the complex problems affecting the entire Orient. In the past decade the commission has paid great attention to the study of southern Arabia. In 1971 Geographic Society member O. G. Peresypkin was assigned to South Arabia to collect data on the country's geography, ethnography and culture. He subsequently submitted a number of reports and communications, such as "In South Arabia (Field Observations)," "The Economic Files of Seif-ul-Islam al-Kasema as a Prime Source for the Study of Socioeconomic Problems of Monarchic Yemen," "Results of Ethnographic Studies in South Arabia (1971-1974)," "Yemeni Tribes and the Policy of the Two Yemeni Countries on Problems of Eliminating Tribal Vestiges," "The Socialist Orientation of the People's Democratic Republic of Yemen," "Socioeconomic Processes in the People's Democratic Republic of Yemen,"

<sup>\*</sup>This article contains a short outline of the commission's activities from 1973 to 1983. For the commission's activities see "STRANY I NARODY VOSTOKA," No 8, Moscow, 1969, pp 292-310; No 15, 1973, pp 5-17; NARODY AZII I AFRIKI, No 2, 1967, pp 230-235; and SOVETSKAYA ETNOGRAFIYA, No 3, 1977, pp 140-154.

"The Socioeconomic Situation in the Yemen Arab Republic" and "Contemporary Ethnographic Problems of the Middle East." The collections assembled by O. G. Peresypkin went to the USSR GO Museum and the USSR Academy of Sciences Museum of Anthropology and Ethnography imeni Petr Velikiy.

Preparations for an expedition to the NDRY [People's Democratic Republic of Yemen] were undertaken in 1974. The purpose of the expedition was a several-year study of archaeology, history, ethnography and sociology and the natural environment of the ancient society. The valley of the Hadramaut was selected as the first stage of the study: history of the appearance and development of an agricultural society in the area which was settled by a single ethnic community. The commission heard reports submitted by Academician B. B. Piotrovskiy "A Study of Yemen Culture" and P. A. Gryaznevich "Historical Geography of South Arabia," "Latest Studies in South Arabia (NDRY)" and "Study of South Arabia in the USSR: Results and Prospects."

Several reports dealt with countries in Southwest Asia (Afhanistan and Iran: "Problems of Ethnographic Studies of the Afghan Population" by A. L. Gryunberg; and "Science in Modern Afghanistan" (based on data collected by the author in that country in 1982). V. A. Romodin spoke on the "Yearbook of the Republic of Afghanistan" and "The First High School in Afghanistan (1903-1922);" P. I. Khoteyev spoke on the new atlas of Afghanistan published in Tehran. N. L. Luzhetskaya spoke on "History of the Conquest of Kafiristan According to Siraj-ad Tavarikh;" F. V. Zurikashvili spoke on "Isfahan in the Northern Iranian Economy."

Papers on Southeast Asia were presented by Yu. V. Maretin ("Southeast Asia as a Geographic and Historical-Cultural Area" and "The Neighborhood-Large Family Type Community in Indonesia"), B. B. Parnikel' ("Community Features in the Culture of the Peoples of Southeast Asia") and E. A. Lalayants ("Industrial-ization in Countries of South and Southeast Asia and the Demographic Factor").

The trips which the members of the Oriental Commission made to the countries in that continent contributed to the study of foreign Asian countries. A. L. Gryunberg spoke on his trip to Afghanistan; O. F. Akimushkin spoke on his trip to Iran; V. V. Naumkin on Socotra Island; M. B. Piotrovskiy on Jordan and Iraq; M. K. Kudryabtsev, I. V. Sakharov and A. V. Darinskiy on India; Ye. I. Lubo-Lesnichenko on India; V. O. Guretskiy on Nagasaki and Manila; L. M. Demin on West Borneo; and L. V. Zenina on the People's Democratic Republic of Korea.

The following reports were on Africa: "The Puzzle of Punt Country," "A New Ethnic Classification of the Peoples of Southern Africa," "Ancient Population Migrations and Linguistic Communities in Africa" and "System of Figure Counting in African Languages" by D. A. Ol'derogge; "Soviet-African Scientific and Scientific and Technical Cooperation" by Yu. M. Il'in; and "Problems of Decolonization of African Society" by L. D. Yablochkov.

Papers on African economic cartography, geography, history and ethnography were read at the meetings of the Oriental Commission, as follows: "Use of the Cartographic Method in the Study of Economic-Geographic Types of African

Agricultural Production" by L. K. Kil'dyushevskaya and Yu. D. Dmitrevskiy; "Sahel Drought and Global Ecological Problems" by I. N. Oleynikov; "Geography of Cultured Plants in West and Equatorial Africa" by S. N. Bakharava; "Changes in the Social Structure of the Kikuyu During the Colonial Period" by K. P. Kalinovskaya; and "Albert Schweitzer Culture Studies and Africa" by V. A. Petritskiy.

The reports "Contemporary Ethiopia" by V. S. Yag'i, "A Trip to Zaire" by K. S. Kremen' and "Mozambique (Personal Impressions)" by F. N. Fedorov dealt with the contemporary situation in African countries; the paper on "Africa in Russian Geography Textbooks for the Past 2 [sic] Centuries (Beginning of 17th-Beginning of 20th Century) by M. B. Gornung dealt with the history of geography. The collections "Problemy Naseleniya i Khozyaystva Stran Afriki" [Problems of Population and Economy of African Countries], Leningrad, 1973, and STRANY I NARODY VOSTOKA, No 21, Africa. Geography, Ethnography and History, Moscow, 1980, also dealt with Africa.

In addition to the collections we mentioned, between 1973 and 1983 the commission published two comprehensive collections of STRANY I NARODY VOSTOKA (No 15, 1973; No 18, 1976) and a collection of selected articles in the English language: "The Countries and Peoples of the East. Selected Articles," Moscow, 1974), as well as three issues on countries in the Pacific Basin (STRANY I NARODY VOSTOKA, No 17, 1975; No 20, 1978; and No 24, 1982).

COPYRIGHT: "Narody Azii i Afriki"

Glavnaya redaktsiya vostochnoy literatury, 1984

5003

cso: 1807/229

INSTITUTE HOLDS CONFERENCE ON TURKEY SINCE ATATURK

Moscow NARODY AZII I AFRIKI in Russian No 2, Mar-Apr 84 pp 146-148

[Materials submitted by V. I. Danilov, P. P. Moiseyev, I. F. Repneva, V. Z. Tserenov, S. L. Neveleva, N. A. Samoylov, E. A. Novgorodova and A. P. Echkalov, USSR Academy of Sciences Oriental Studies Institute, Moscow]

[Text] The Republic of Turkey, which appeared as a result of the victory of the national liberation movement of the Turkish people against the imperialist powers, celebrated its 60th birthday in October 1983. Within that time major changes took place in the republic's system of political and state institutions, its economic and social structure and its ideological and cultural life. The study of these phenomena and processes was the topic of the All-Union Conference of Turkologists, which was held on 20-21 October 1983 with the participation of about 70 scientists from Moscow, Baku, Yerevan, Kiev, Leningrad, Tbilisi and other cities. The conference was opened by G. K. Shirokov, USSR Academy of Sciences Oriental Studies Institute deputy director, who drew attention to the importance of the study of Turkey. Twenty-eight reports were submitted at the conference. A. M. Shamsutdinov (Moscow) described the deployment of sociopolitical forces in the country on the eve of the republic's founding. V. I. Danilov (Moscow) discussed the development of the political structure and the characteristics of the political struggle in Turkey. The National (subsequently National-Republican) Party, which was founded in 1923, contained elements of bourgeois political pluralism, which developed after World War II into a multiparty system. laws of capitalist development in formerly dependent countries left their mark on the functioning of this system in Turkey during the 1950s-1970s, which determined the main features of political struggle in Turkey, such as the active participation of the armed forces. P. P. Moiseyev (Moscow) pointed out, among others, that the Turkish economy found itself in a state of crisis during the second half of the 1970s. This was one of the reasons for the seizure of power by the military in September 1980. E. Yu. Gasanova (Baku) analyzed the sources and main features of the ideology of the Turkish national liberation movement and considered the stages in the shaping and development of Kemalism. I. F. Chernikov (Kiev) expressed the view that a collection of documents on Soviet-Turkish relations should be prepared for publication.

At the meetings of the history section, M. M. Akhmedov (Baku) discussed problems of scientific methodology in the study of the history of the Ottoman Empire in contemporary Turkish historiography, taking as an example the views

of Taner Timur, the noted Turkish scientist. A. A. Stepanyan (Yerevan) described the role of Armenian written literature in the Turkish language in the social life of the Ottoman Empire and the development of the educational movement. R. A. Safrastyan (Yerevan) noted, in particular, that the main concepts of the Ottoman doctrine had been formulated by some state leaders in the Tanzimat age and borrowed by the "Young Turks."

R. I. Kerim-Zade (Moscow) discussed stages and trends in the constitutional development of the Republic of Turkey and discussed the manner in which the sociopolitical struggle was reflected in the Turkish constitutions. R. P. Korniyenko (Moscow) spoke on some characteristics of the development of the Turkish working class. Some aspects of the youth movement and the struggle of the political parties for influencing the youth were discussed in the papers by A. G. Aksenenko (Moscow) and Z. Dzh. Sultanova (Baku). Yu. A. Li (Moscow) spoke of Turkish state policy on the training of national cadres. V. V. Tsibul'skiy (Moscow) discussed the activities of P. A. Chikhachev, the noted student of Turkey.

The participants in the conference paid great attention to problems of ideology, the struggle surrounding Ataturks' spiritual legacy and the interpretation of the principles of Kemalism in modern Turkey. This was reflected in the paper by N. A. Ayzenshteyn (Moscow). I. L. Fadeyeva (Moscow) spoke on the role of Islam in the Turkish political struggle. N. Farfutdinov (Karaganda) discussed the relatively unstudied topic "The Ideological Struggle in Turkey in the 1930s" (based on materials published in the journal KADRO). E. E. Zamanova (Baku) criticized the nationalistic interpretation of cultural legacy and the values of Western spiritual culture in modern Turkey.

Cultural problems as well were discussed at the conference. K. A. Belova (Moscow) spoke on the evolution of social ideals in the Turkish novel, while E. G. Mamedova (Baku) discussed the main stages in the development of political cartoons in republican Turkey.

A number of reports traced the development of the Kemalist foreign policy principles. Thus, R. G. Saakyan (Yerevan) spoke on some little-studied aspects of Franco-Turkish relations during the time of the conference in Lausanne. B. M. Potskhveriya (Moscow) characterized the interpretation of national security problems in the works of Turkish bourgeois scientists. R. S. Korkhmazyan (Yerevan) discussed some aspects of Turkish foreign policy from 1939 to 1945 (based on documents of GDR Central State Archives). The reports submitted by G. Z. Aliyeva and S. R. Medzhidova (both from Baku) and I. I. Ivanova (Moscow) dealt with Turkish foreign policy in the Near and Middle East and, in particular, the development of Turkish-Arab relations. A. Sh. Rasizade (Baku) spoke on the history of Turkey's joining of NATO. A. A. Kolesnikov (Leningrad) dealt with the way the political activities of the Turkish army were reflected in Soviet historiography in the period from 1923 to 1983. T. P. Dadashev (Baku) spoke on the study of Turkish history, economics and ideology in Azerbaijan between 1958 and 1983.

A wide range of problems were discussed in the papers and communications submitted at the meetings of the economic section. N. T. Kireyev (Moscow)

submitted a scientific study of "Evolution of Statism in Republican Turkey." In assessing the socioeconomic nature of statism, he pointed out, it would be erroneous to reduce it merely to state capitalism, for many of its aspects cannot be interpreted as being purely bourgeois. It is important to bear this in mind in characterizing the country's socioeconomic structure, deployment of political forces (the role of big capital, the civilian and military bureaucracy), etc. The report by G. I. Starchenkov (Moscow) reflected problems of Turkish socioeconomic and political development in the 1980s which, according to the speaker, constitute a specific development stage. Despite changes in the domestic political situation as a result of the military coup, the further assertion of the trends which had become apparent in previous decades took place.

Papers on the study of the financial situation of the Republic of Turkey were of considerable interest. In particular, Ye. I. Urazova (Moscow) reviewed the main stages in the development of the country's banking system. She concluded that under the conditions of the economic crisis experienced by Turkey, the question of further modernizing the banking system remains on the agenda. "Taxes in the System of State Economic Control in Modern Turkey" was the topic of the report by D. A. Veliyev (Baku). The problem of accumulations is the focal point of tax control, the speaker said. Extensive use is made in Turkey of the tax mechanism in influencing entrepreneurs in their investment decision-making. A. A. Aliyeva (Baku) described the role and significance of the cooperative movement as a factor which accelerated the bourgeois development of the Turkish economy. The paper by Kh. U. Im (Moscow) dealt with agrarian reform and the foreign migration of Turkish workers. The report by B. M. Glushenko (Moscow) dealt with the dynamics and the positive and some negative features of economic and technical cooperation between the USSR and Turkey and the new problems and difficulties which have appeared in their foreign trade relations as a result of the conversion from the clearing accountability system used in commercial deals to trade based on freely convertible currency, as well as other topical problems. L. Kh. Vasserman (Baku) tried to identify the main reasons for the extremely grave economic crisis which struck Turkey during the second half of the 1970s. S. M. Ivanov (Leningrad) discussed an important yet understudied topic of consideration of historical traditions in the study of Turkish sociopolitical and socioeconomic development. M. S. Meyer (Moscow) and M. Kh. Svanidze (Tbilisi) analyzed the new trends in Turkish historiography. The authors noted the increased social polarization of views among representatives of the humanities and the clear shaping of typically bourgeois, socioreformist and left-wing democratic ideological trends.

COPYRIGHT: "Narody Azii i Afriki"
Glavnaya redaktsiya vostochnoy literatury, 1984

5003

CSO: 1807/229

BOOK STRESSES STATE ROLE IN THIRD WORLD CAPITALIST INDUSTRIALIZATION

Moscow NARODY AZII I AFRIKI in Russian No 2, Mar-Apr 84 pp 176-181

[Reviews of the book "Industrializatsiya v Razvivayushchikhsya Stranakh" [Industrialization in the Developing Countries] by N. S. Babintseva, Leningrad University Press, Leningrad, 1982, 150 pp]

[Review by G. I. Chufrin and G. K. Shirokov]

[Text] The book under review is an attempt at a broad summation of the historical experience in industrialization during different centuries and in different countries, with heavy emphasis on the contemporary situation. The study begins with a description of the most general features of industrialization. Subsequently, on this basis its definition is suggested and industrialization is interpreted as a transitional stage in the development of mankind from precapitalist to higher (capitalist or socialist) means of production and as a period of basic changes in the technical and socioeconomic structure of the social production process.

The author, who takes into consideration the variety of manifestations of this process and the asynchronic nature of the stages it has reached in various parts of the world, logically raises the question of the classification of historical examples of industrialization and its various types, and providing a more detailed classification based on a single criterion such as the main socioeconomic feature in a mixed system.

The entire structure of this book, starting with the introduction in which the historical types and subtypes of capitalist industrialization are defined, ending with the final fourth chapter, which answers the question of the types and subtypes of industrialization which exist in the developing countries, follows this concept. We may or may not agree with the authors' conclusion to the effect that industrialization in the developing countries is of the state capitalist type with subtypes "consistent with differences in the class content of state capitalism" (p 148); whatever the case, the author cannot be denied a logical approach and a streamlined presentation.

The introduction and the last chapter are the structural framework, a kind of "entry" and "exit" of the system of industrialization analysis. As to the other sections, let us note above all their subordination to the task of identifying the leading system and its socioeconomic nature. Briefly, the logic of the analysis used in the book is the following: a characteristic

feature of industrialization is considered first (the specifics of the ratio between accumulation and consumption, sectorial and class nature of the state system in the liberated country or economic policy); this is followed by an indication of the objective need for state intervention in this aspect of economic development, the trend and scope of such intervention and its socioclass differences in the various groups of developing countries. The analysis leads to the conclusion of the leading role of the state in the industrialization process and the establishment of the leadership of the state system, for according to the author it is the true integrating agent of a developed economy which shapes the unity of its reproduction mechanism. Its socioeconomic characteristics are defined by the author as state capitalist, and are followed by a study of the essential differences in the class nature of capitalism among the various groups of liberated countries. on this basis that the conclusion as to the state capitalist type of industrialization with its various subtypes in the developing countries, is formulated.

Although quite important, such conclusions are not complete. The point is that at the initial stages of industrialization the leading system does not as yet enjoy advantages in the area of labor productivity compared with other systems. Consequently, its influence in a specific economic system is largely supported by noneconomic means. It is precisely industrialization which ensures its conversion into the most productive system and, thereby, into a formation-shaping system. The completion of industrialization on the socioeconomic level means the transformation of the leading system into a formation. Therefore, it is quite important to raise the question of the type of system which state capitalism may develop into in the developing countries. Unfortunately, no such formulation of the question may be found in the book.

The author touches on many problems in the course of her analysis. not all of them are considered sufficiently fully and in detail. them are sketched in most general lines (correlation between industrialization and agrarian changes, or the technological strategy of industrialization) or merely noted (role and significance of the development of education, characteristics of involving external sources of financing in the industrialization process and some others). Nevertheless, in addition to the general concept and its implementation, the book suitably develops individual problems. Noteworthy in particular are the authors' views and conclusions relative to the sectorial strategy of industrialization in the liberated In her opinion, the structural reorganization of the economy in the course of industrialization takes place essentially under the influence of internal factors, and the best results from the viewpoint of the struggle for economic independence are provided by a sectorial strategy which reflects precisely this law. According to the author this does not meet the requirements of replacing imports or an orientation toward exports, for they do not constitute the foundations of a national reproduction complex or, to use the authors' terminology, the "structural economic grid" (p 31) which gives it stability and ensures the autonomy and completion of the social reproduction process. The author solves the question of the development of industrial sectors largely from the viewpoint of their contribution to the creation of a "structural economic grid." In accordance with Leninist methodology, the

author relates the effect of external factors and the channel of this influence with scientific and technical progress which has become a global decisive factor influencing progressive sectors, without the development of which the liberated countries cannot eliminate their economic backwardness.

The work deals extensively with small-scale production and with defining its place in the industrialization process; a comparison is made between its role and significance in Europe and Japan during the 19th and beginning of the 20th centuries and the contemporary liberated countries. The author's conclusion is that the preservation and development of small-scale production is a general law of the industrialization process, which allows a developing economy to eliminate or at least to lower the stress which develops in some "bottlenecks."

In connection with the problem of industrialization, the author sums up the characteristics of state activities in the developing countries. She considers its functional role in industrialization, analyzes the internal structure of the state as an economic subject and its individual units in their interconnection, and identifies the new aspects which state economic activities introduce within the socioeconomic organism of the liberated countries. In her analysis of the activities of the state, the author suitably interprets the problem of planning and centralizing the management of economic development (Chapter 2, Section 3; Chapter 3, Section 3) and clearly indicates the conflicting and dual nature of planning in the developing countries and the objective prerequisites which determine its limitations.

Despite the entire unquestionable importance of state economic activities in the developing countries, the author nevertheless exaggerates and even absolutizes the role of the state in the industrialization process. The probable reason for this impression is the fact that the activities of the other industrialization agents (multinational corporations, private national capital) are insufficiently discussed. Unquestionably, this impoverishes the book's content.

Let us note as a good feature of the book that the mathematical model suggested by the author (particularly her idea of using multiple restrictions in the block problem of mathematical programming in modeling the economy of a developing country) of the functioning of the state system as a leading factor is of more general value and is applicable in modeling the functioning of any leading system, with some corrections, naturally. We believe that the target function chosen for a possible formulation of extreme cases (the maximizing of the gross product) is also consistent with the conditions governing the struggle for economic independence and the tasks of industrialization.

To conclude this brief review of N. S. Babintseva's book, let us say that its publication is unquestionably welcome. It is a noteworthy contribution to the historical-economic interpretation of industrialization and the study of several general and specific problems of economic development of liberated countries. Although a number of aspects in the book are debatable and some are quite controversial, the views it presents are unquestionably interesting and will draw the attention of specialists.

# [Review by M. A. Cheshkov]

[Text] In terms of its genre the book under review is a descriptive-applied study supplemented by a small theoretical part. The latter deserves particular attention, above all because it deals with the very complex problem of the existence of some general features in the state systems of developing countries, regardless of social orientation. The author tries to resolve this problem primarily on the basis of a logical approach and despite the increasingly apparent trend in Soviet publications of identifying state ownership with capitalism. The very concept of "state system," used by the author, and its scientific effectiveness as applied to this subject are disputed by a number of Soviet researchers. The question is one of the extent to which the author was able to follow her announced logical method and whether or not the question of the general characteristics of the state system can be answered on this basis.

Let us note above all the interestingly developed characterization of the state as a subject of economic activities. Unfortunately, the author fails to underline the specific nature of the conventional-subjective approach within which the state system is analyzed through the lens of the process of activities, together with its categories (subject, target setting, object, etc.), rather than in connection with the various types of social relations (base-superstructure). Since this concept is insufficiently distinguished from the old, frequently the new wine is poured into old bottles.

The "coupling" of the descriptive and the theoretical parts of the work triggers more serious objections. In characterizing the economic functions of the state and its economic activities in the descriptive section, it is precisley on the basis of such factors that the author substantiates the leading role of the state system (pp 121-123). Undeniably, the state system is indeed created in the course of the economic activities of the state and the fulfillment of its economic functions. However, to derive the leading role of the state system on this basis is roughly the equivalent of explaining the role of capital in terms of the actions of the capitalists and the regulating function of the state. The author convincingly proves that the state-superstructure and the state-subject of economic activities historically precede the establishment of the state system. Again on the basis of this historical sequence it is logically unjustified to derive the leading role of the state system: this would be similar to explaining capitalism in terms of the land rental. Possibly the study of the state system requires an approach different from the study of capitalism, particularly in its classical form. However, the author makes no mention of this, and the theoretical part begins, as is usually the case, with a description of the base. It is at this point that a basic confusion develops. It is obvious that it is logically impossible to derive the concept of the state system from the state-superstructure and the state-subject of economic management; the approach must be reformulated and the historical approach must be replaced by logical one. Since the author fails to do this, the state system, this basic category of a theoretical analysis, shows up as a deus ex machina.

Let us consider the way this concept is developed through a logical approach. This could be accomplished on the basis of different definitions of the state

system. It is true that in the work they are not characterized as consecutive levels of analysis. However, they could be considered as such, for the author's analysis is based on an ascension from the abstract to the concrete. In the first formulation, the state system is defined as an economic sector in which the state engages in economic activities and special production relations are established (p 121). It is questionable whether the specific economic reality and the state-subject should be considered at the first level of abstraction; no characterization of production relations is provided here. A new feature is added to the second formulation: the existence of a state system as a base for the national economic reproduction mechanism (p 129). Although this is substantiated, once again the question of production relations within the state system remains open. The third definition informs us that the state system is a concept which merely allows us to approach a characterization of production relations linked with the economic activities of the state (pp 122-123). Unfortunately, this approach as well is not made clear with the subsequent definition of the state system as an economic subject combined with production relations which arises on the basis of the economic activities of that subject (p 124). In the final account, we learn nothing regarding the relative nature of production relations within the state system which are considered only in the aspect in which they derive from the activities of the economic subject. Thus presented, production relations within the state system become not a subject of political economy but rather of various functional disciplines (decision-making, etc.).

Having failed to find any common characteristics within the production relations of the state system, the author tries to find them in state ownership relations. She characterizes as such the relation between the working class in the state sector and the bureaucracy as a separate social group (p 126). According to the author, the bureaucracy consists of specific classes with access to power (p 127). This leads to the conclusion that the relation between bureaucracy and the working class in the state sector is not a separate class relation but a relation between all other property-owning classes and the working class in the state sector, indirectly represented by the bureaucracy. Quite logically the author concludes that state ownership is a conglomerate of production relations and class interrelationships (pp 127-128). This makes clear that, in the final account, state ownership is reduced to other forms of ownership and production relations, thus no longer existing as a separate variety of socioeconomic relations.

We are entitled, therefore, to conclude that the method of progressing from the abstract to the concrete has not been applied in the book and that the problem of the general features of the state system remains unresolved. Furthermore, having failed to define production relations within the state system and reducing state ownership to other forms of ownership, the author indicates that the use of the concept of "state system" in the case of this type of object is groundless: not only production relations which developed into a system but even specific production relations are absent here. The concept of a mixed system and the approach based on the decisive role of the state system (superstructure) make the very concept of "state system" useless.

Let us emphasize that this paradox--the assertion of the "state system" concept through its actual denial--is not characteristic of the author of this work alone. A similar trend may be noted in other studies as well. Thus, a basic work on the state capitalist system in the developing countries, which covers literally all aspects of this phenomenon, does not include a characterization...of production relations.<sup>2</sup> Obviously, the problem lies either in the very subject of the study or in the formulation of the problem: it is perhaps basically erroneous to speak of the general features of a system in developing countries or, in other words, of a general form of state ownership. Could it be that a general form of state ownership is simply an organizing abstraction without objective content? Or else could it be that this content cannot be expressed through the methods of a political economic analysis? However, since the evolution of the developing world is defined through the effect of economic laws, a general form of state ownership could and should be expressed through the means of political economy. In our view, this category has an objective content as well. The problem is that this content cannot be expressed in categories which characterize the various forming "qualities" within the framework of the familiar five-term formula of the socioeconomic system. That is precisely why the work under review, like other studies, is unable to define the general features of production relations within the state system. Even in their description of state capitalism the researchers are forced either to set aside an explanation of the nature of state ownership or else to convert it into a state-superstructure, and to define state capitalism as the nationalization of private property (p 131).

In our view, the common features of production relations within the state system can be defined through the broader categories of the socioeconomic system, in particular through the concept of "secondary system," in its modification of the developing society (nonarticulated secondary system).3 The universal form of state ownership becomes a form of ownership consistent with the specific "quality" of the system, precisely the way slave-owning, feudal and capitalist ownership are consistent with "their own" systems. The reason for such a nature of the system is that it embodies most fully the contradiction between the secondary system as a whole (the struggle between the collective and the ownership "principles"), i.e., because it forms the natural and the only possible foundation of the social organism of the nonarticulated secondary system. The content of this form of ownership is distinct from the content of the form of ownership expressed in terms of the five-term formula. Its essential feature is found not in the specific historical types of socioeconomic relations but in the overall relations of exploitation, oppression, coercion to work and alienation, which are inherent in the nonarticulated secondary system. Since this content cannot be expressed directly through the five-term formula, the study of the universal form of state ownership resembles the "squaring of the circle."

The category of the universal form of state ownership, submitted as a hypothesis, is unquestionably necessary. However, it is insufficient to explain the specific historical forms which state ownership assumes in the multidirectional process of transformation of the nonarticulated secondary system (in the direction of capitalism; transition to socialism; and on the basis of modified precapitalist relations). Indeed, each of these different types of

state ownership systems could be expressed through the dual nature of the private ownership and collective principles, inherent in the secondary system and its nonarticulated variety; however, this dualism does not explain the specific socioeconomic content of the varieties of state ownership which develop within the framework of one system structure or another. 4 The reason for which the explanation of this category is limited is entirely clear: it is part of the set of system definitions in which exploitationrepression relations (articulated or nonarticulated) are the decisive criterion. Specific historical forms of state ownership fall into another series of system definitions, in which the main criterion is the historically determined system of production relations. Therefore, a further category must be introduced in order to link the general form of state ownership to the specific historical types of state ownership. This category must meet two requirements: to fit both series of system definitions and the three-term and five-term system classifications; and to include other forms of state ownership. So far it does not appear possible to define this category meaningfully and through the method of political economy in particular. A solution to this problem may be undertaken on the basis of the universal scientific principle of symmetry. However, this would require a separate study.

#### FOOTNOTES

- 1. Developed in the field of science which studies the subject organically included in the processes of functioning and development (forecasting, theory of decision-making, etc.). See "Gnoseologiya v Sisteme Filosofskogo Mirovozzreniya" [Gnoseology in the System of the Philosophical World Outlook], Moscow, 1983, pp 183-184.
- 2. See "Gosudarstvennyy Kapitalizm i Sotsial'naya Evolyutsiya Stran Zarubezhnogo Vostoka" [State Capitalism and the Social Evolution of Foreign Oriental Countries], Moscow, 1980.
- 3. On this subject see M. A. Cheshkov, "On the Discussion of 'Development Sociology'," NARODY AZII I AFRIKI, No 3, 1983, pp 178-180; idem., "'Socioeconomic System' Category and the Study of the Developing World." MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA, No 8, 1983, pp 84-86.
- 4. For example, no form of state ownership consistent with such relations can be derived from the private ownership principle which includes both precapitalist and capitalist relations.

COPYRIGHT: "Narody Azii i Afriki"

Glavnaya redaktsiya vostochnoy literatury, 1984

5003

CSO: 1807/229

# COLLECTION OF ARTICLES ON THIRD-WORLD ECONOMIC GEOGRAPHY REVIEWED

Moscow NARODY AZII I AFRIKI in Russian No 2, Mar-Apr 84 pp 181-184

[Review by G. A. Lashova of the book "Razvivayushchiyesya Strany: Problemy Ekonomicheskoy i Sotsial'noy Geografii" [The Developing Countries: Problems of Economic and Social Geography], Leningrad, 1982, 164 pp (USSR Geographic Society)]

[Text] In our view, the collection under review is a noteworthy event in the economic-geographic study of developing countries. The authors' collective, which consists of a group of Leningrad scientists, has made an effort to identify and interpret the latest trends in the shaping of the spatial structures which develop in the course of the international division of labor and to define new approaches to the economic-geographic study of the problems of contemporary development of these countries.

The collection opens with the article by S. B. Lavrov and V. S. Yag'ya "The Developing Countries in the System of the International Division of Labor (Some Problems of Theory)." The authors proceed from the obvious thesis to the effect that the existing durable territorial-production disparity between the resource base of production forces and areas of primary resource utilization is one of the basic characteristics of the international capitalist division of labor. Bearing in mind the predominant importance to the liberated countries of foreign economic relations (mainly with the developed capitalist countries), the authors suggest a coefficient of involvement of one country or another in the international division of labor, which constitutes the per capita foreign trade turnover. Unquestionably, it would hardly be possible to undertake the full scientific study of the geography of the global economy without the elaboration of problems of the quantitative (including indicators in addition to foreign trade) and the qualitative analysis of the extent to which one country or another is involved in the international division of labor. The authors pay great attention to the industrialization of export trends, a new phenomenon which developed in the liberated countries in recent years. As they point out, it "contributes to certain changes in the international division of labor which, in their totality, indicate the appearance of new territorial-industrial areas in the world" (p 16). Although, as the authors justifiably assume, industrial construction oriented for export is still quite poorly related to the territorial division of labor within the national economies, nevertheless the study of the interaction between the process of export industrialization and the shaping of the territorial economic structure of developing countries

should not be ignored by Soviet economic geographers, particularly those engaged in area studies.

The authors are convinced that along with the intensification of a resource-raw material specialization, an industrial-peripheral specialization is appearing in the developing countries, oriented toward the foreign markets and covering primarily low- and middle-level processing industries. This leads to an intensification of integrational economic relations between developed capitalist and developing countries on a neocolonialist basis which, as the researchers predict, will eventually lead to the appearance of intergovernmental economic areas. In our view, another interesting feature in this article is the study of the various forms of production cooperation between socialist and developing countries.

The article by O. P. Litovka and Yu. N. Gladkiy "Problems of Developing Countries in Soviet Economic-Geographic Studies" provides an assessment and summation of the results of the studies made by Soviet scientists of the spatial organization of young national states. After noting existing achievements, the authors express their dissatisfaction with the lack of proper coordination among the scientific works of Soviet economic geographers gathered among the various cities and scientific centers in our country and remind us of the need to consolidate research forces in the formulation of new problems and scientifically substantiated practical recommendations. The article formulates the main tasks in the study of the economic geography of developing countries, among which we must single out in particular the development of historical-geographic studies of various forms of colonization and types of public economy (from the "appropriational," which, once modified, becomes quite durable, to large-commodity production), as well as the contemporary geography of production forces.

The article "Territorial Production Structure in Developing Countries," by N. S. Babintseva, which offers an economic-mathematical model of the territorial structure of the economy, is original in terms of both content and logic of presentation. The author introduces the new term of "territorial production structure" (TSP), which she defines as the "spatial function of public reproduction, i.e., the depiction of public reproduction on the surface of the earth as a system of spatial social reproduction laws reflecting its territorial development aspect" (p 41). However, the term "territorial economic structure," usually conceived as the dynamics of the spatial differentiation of economic phenomena, has become widespread in scientific publications. Unfortunately, the author does not explain the correlation between the two terms which, we believe, are quite similar to each other. The idea that a mixed system leads to superimposing various TSP, as a result of which "the territorial picture of social reproduction in the developing countries becomes quite chaotic as a consequence of the noted coexistence of systems within the same area, particularly in the cities" is controversial (p 47). In our view, the various economic systems in the developing countries do not simply coexist but interact, find themselves in conflicting interrelationships and become reciprocally adaptable. Obviously, the concept of the chaotic nature of the territorial picture of the public reproduction process in the developing countries is a simplification of reality. This

picture has its characteristic features which are quite clearly formulated in the article by O. P. Litovka and Yu. N. Gladkiy we already mentioned (see p 28). N. S. Babintseva formulates an interesting yet vulnerable concept of the territorial structural unit which changes according to the production method. This impression is confirmed by the author's pessimistic conclusion, according to which "it is hardly expedient to take the territorial structural unit as the main research target" (p 50).

The article by A.A. Dolinin "Social Geography of the Developing Countries (Object and Tasks)" and that by V. S. Yag'ya "Methodological and Methodical Foundations of the Political-Geographic Study of Developing Countries" are of an essentially programmatic nature and earmark new guidelines in the study of developing countries. A. A. Dolinin offers a clear and extensive definition of the subject of social geography, which includes three research aspects: development and location of the individual elements in the social infrastructure or of their totality; development and location of individual social population groups or their totality; and study of territorial characteristics of the social infrastructure and the social structure of the population in their interconnection and interaction (p 52). The article defines the place and tasks of the social geography of developing countries and provides methodical approaches to the study of problems in this branch of economic geography (ethnic structure and class population structure, level of education). A very important thesis presented here is that the occasional discrepancy between the level of economic development of a country and the social development of its population makes the area of social geography a relatively separate subject (p 59).

V. S. Yag'ya, who has contributed substantially to the study of problems of the political geography of developing countries, supports the autonomy of this scientific trend. He assumes that it cannot be restricted merely to the study of the influence of economic and sociogeographic structures on political events. His article, some concepts of which are controversial, is saturated with fruitful ideas. For example, he explains the concept of "political-territorial organization of society," proves its subordination to the social structure of society and points out that the intensification of social heterogeneity strengthens the political and territorial heterogeneity of social life in developing countries. He pays particular attention to the state, considering that the state superstructure in the developing countries is the nucleus of their political and territorial organization. In legitimately raising the question of the need for the study of the territorial structure of the network of institutions of the political system and of party, national-political, youth and other public organizations, the author stipulates that in terms of the developing countries this is not so difficult to accomplish, bearing in mind the quantitatively limited nature of political institutions and the small territorial differentiation in their deployment. On the surface this assumption appears logical. In reality, however, a specific study may present difficulties if we take into consideration the remaining influence which traditional social institutions exert on political activities.

The two articles by Yu. D. Dmitrevskiy, which are included in this collection, deal with the study of problems considered traditionally basic in the

field of economic geography. The first—"Natural Resources and Location of the Population in Developing Countries"—analyzes the interaction between the processes of development of natural resources and settlement forms. The author makes interesting remarks on the development and differentiation of economic—ecological processes in this group of countries. In summing up the achievements of Soviet scientists in problems of shaping the territorial structure of the economy and economic zoning, in his second article Yu. D. Dmitrevskiy substantiates, in our view, a number of important theses and concepts. He clearly formulates the characteristics which govern the establishment of economic areas in countries with a socialist orientation, provides a typological breakdown of economic areas and suggests new approaches to defining their boundaries.

Although we share the author's view of the need to elaborate quantitative indicators for defining the stage at which economic areas are formed, we must look critically at the idea of formulating an aggregate indicator of the level of regional formations (p 123). We believe that its formulation is hindered by the need to use numerous parameters. This indicator may be impeccable in theoretical elaborations but becomes vulnerable in the study of specific geographic reality. In our view, it would be more realistic to raise the question of a system of quantitative indicators in defining the stage at which economic areas are formed in the developing countries.

In his article "Industrialization and Regional Development," Yu. N. Gladkiy discusses the interaction between economic development strategy and regional problems. He uses individual African countries as examples in assessing the effectiveness of original policy. His study of the most important local factors of regional development is interesting. However, his conclusion to the effect that in Africa natural resources are not only the basic but the only factor which can influence changes in the spatial economic structure of one country or another does not seem sufficiently convincing (see p 89).

The article "The Developing Countries and the Development of the Mineral and Biological Resources of the World's Oceans" by S. B. Slevich and V. M. Lifshits, contains extensive factual data and the authors' conclusions appear substantiated. This article, which discusses a topical problem of the influence which the development of oceanic resources has on the economy of the developing countries, includes a number of interesting concepts.

A trend of studying the activities of multinational corporations—the material foundations of neocolonial relations between the West and the developing countries—has appeared and is being actively developed in contemporary economics. The economic-geographic study of this phenomenon has still not been developed sufficiently. To a certain extent, this gap is filled by the article "Expansion of Multinational Corporations in Developing Countries (Geographic Aspect)" by Yu. N. Gladkiy and A. Ya. Lin'kov. Here the thesis to the effect that the multinational corporations do not have process—forming functions which lead to the territorial reorganization of the economy and that they make their contribution to the growth of regional disproportions in the developing countries between the few "poles" of development and the periphery is of essential importance.

In our view, the article "Attempt at an Economic-Geographic Analysis of Foreign Trade in Developing Countries" by V. D. Sukhorukov, deserves the highest possible rating. Particularly attractive here is the "geographic orientation" of the study. The author considers the influence of foreign trade on shaping the territorial structure of the economy of developing countries within broad temporal and spatial frameworks, taking Africa as an example. In the author's opinion, foreign trade between developing and industrially developed capitalist countries is a binding link within the system of resource-export cycles. In other words, it influences the location of economic facilities through the development mechanism of resource-export cycles. In our view, this is a very fruitful concept. The author coefficient.

Therefore, this comprehensive collection covers various areas and trends of the science of economic geography of developing countries. The feature shared by most of the articles it contains is the great attention paid to the study of the territorial aspects of mixed systems and the shaping of intergovernmental economic areas. The authors daringly introduce and use new terms and concepts, such as "political-territorial structure," "politicalgeographic population density," "resource-export zone" and others. Some of these terms may prove to be unstable and transient. Be that as it may, the conceptual apparatus of this science cannot develop without expanding. Another merit of the collection is the support of quantitative methods and characteristics shown by its authors. In addition to the economic-mathematical model of the outlay-output type in N. S. Babintseva's article, we find formulas and computations of coefficients of country participation in the international division of labor, social coalition, maritime location and resource-export cycle. This is a welcome orientation toward precise methods of geographic analysis. Despite the debatable nature of some of them, many of the concepts expressed in the articles provide an impetus for new studies in scientific research. Unfortunately, the book was published in a very small edition (1,000 copies). The editing of the work leaves something to be desired. The book suffers from frequent misprints and careless cartography.

COPYRIGHT: "Narody Azii i Afriki"

Glavnaya redaktsiya vostochnoy literatury, 1984

5003

CSO: 1807/229

# U.S. BOOK ON TURKISH INCOME DISTRIBUTION REVIEWED

Moscow NARODY AZII I AFRIKI in Russian No 2, Mar-Apr 84 pp 204-208

[Review by G. I. Starchenkov of the book "The Political Economy of Income Distribution in Turkey." Edited by E. Ozbudun and A. Ulusan. Holmes and Meier, New York-London, 1980, 533 pp]

[Text] Toward the end of the 1970s Princeton University (United States) adopted a research program on "Income Distribution in Developing Countries," the purpose of which was the development of this concept considered "most important in political economy" and "most difficult to interpret in terms of practical work" (p 6). The series of planned studies began with the book on Turkey under review, to be followed by works on Nigeria, Egypt and Mexico.

According to the program's sponsors, the main difficulties presented by this project are the fact that combined economic data frequently conceal the most important aspects of the income distribution problem and that data classification for purposes of social interpretation make summation extremely difficult. Furthermore, in developing countries such as Turkey, where social research has been clearly insufficient and where the majority of the active population is employed in traditional sectors, data-gathering possibilities are quite limited. Because of this situation, the program managers decided to use highly qualified specialists from Istanbul's Bogazichi University and economists and political experts of Turkish origin working in the United States. All in all, four American and 12 Turkish scientists participated in writing the book.

The choice of such a representative group of authors does not indicate in the least that the purposes of the work were met. Thus, all of the authors avoided a consideration of the conceptual aspect of the problem of the national income at its distribution stage. The book suffers from a lack of methodological unity and its individual authors have used different approaches. As the compilers themselves recognize, the parts dealing with industry are an "arena for discussions." Nor is there a summarizing chapter.

In our view, however, the value of the book lies elsewhere. It contains a large volume of considerable original data, including data obtained from surveys and studies made by the authors themselves. New data have been introduced into scientific circulation, giving us a better idea of the structure of Turkish society and its income distribution system. The interconnection between economic and social phenomena may be traced in a number of

chapters. This enables us to understand the reasons for intensified social tension (there were coups d'etat in the country in 1960, 1971 and 1980) although the authors have bypassed this issue. The data cited in the book enables us to gain a better idea of the economic and social disproportionality of the process of the establishment of capitalism in Turkey.

E. Ozbudun, A. Ulusan and C. Mann emphasize in their articles that ever since the republic was proclaimed in 1923, the state has pursued an economic policy aimed at the country's industrialization. They accurately single out its two most important stages. Between 1923 and 1950 the "anarchic development model" called for the construction of industrial enterprises by the state and for encouraging the building of industrial projects by the private sector either independently or in cooperation with state economic organizations. A transition to a "liberal policy" was initiated in 1950, within which the main role was assigned to private enterprise. The five-year plans which began to be applied in the 1960s were in the nature of "recommendations" for the private and mandatory for the state sector. This made it incumbent upon state economic organizations to build underprofitable or totally unprofitable industrial and infrastructural projects. The state supported the development of private enterprise and the granting of loans financed essentially out of taxes paid by the working people (pp 231, 462-473).

The dichotomous economic structure (a definition which remains quite contradictory) had become clear toward the end of the 1970s. The volume of capital investments increased substantially in the organized sector under the influence of the state; the installation of modern machines and equipment increased labor productivity and limited the influx of additional manpower. Meanwhile, an unorganized sector in which state intervention was insignificant, was developing. Mechanization had little impact on enterprises in this sector. However, they retained their competitiveness thanks to the extensive use of "cheap female and child labor." As T. Kuran accurately notes, this dichotomous structure is quite typical of the city and may be frequently noticed in the country (pp 350-351).

The authors unanimously agree that present-day Turkey is one of the "semi-industrialized and materially secure Third World countries." During the 1960s its annual industrial growth averaged 10 percent. Agriculture as well developed at a rather high pace. However, the material situation of the majority of the population changed extremely slowly. By the end of the 1970s the crisis phenomena in the Turkish economy lowered the population's income level and intensified social tension in the country. The authors conclude that these phenomena were based on the "crisis in the income distribution system." For that reason, based on United Nations data, they classify Turkey "among the developing countries with the least equal income distribution between and within economic sectors" (pp 3, 10, 363).

E. Ozbudun and A. Ulusan state in their article that "the source of this entire uneven income distribution is the dualism of the per capita income in agriculture and the other economic sectors, the ratio of which is 1:3.5" (p 10). The most uneven distribution is within the agricultural sector itself: the ratio between the income of the poorest and the richest rural

population is 1:54, whereas outside agriculture it is 1:20. Bearing in mind the fact that most of the population (about 60 percent) lives in rural areas, the result is that those employed in the agrarian sector account for 90 percent of the poorest population in the country and for nearly 50 percent of the richest. If we consider an income of 12,000 pounds or \$840 in 1973 prices the "poverty line," 5 percent of state employees, 13 percent of the craftsmen, 17.6 percent of the unskilled workers and 56 percent of the peasantry are below that line (pp 10-11).

In 1973 22 percent of all peasants were landless and 20 percent owned less than 1 hectare of land each. Together, these 42 percent of all peasants owned less than 3 percent of the country's farmland. The most uneven distribution of land ownership is found in the eastern and southeastern parts of Turkey. However, as a rule, C. Mann emphasizes, the share of the income is "above all a function of the size of the production unit" (pp 11, 239).

The income levels of the various rural population categories is changing noticeably with the capitalist reorganization of agriculture. This is the first book on Turkish studies to provide data on the production efficiency of the various components of the "green revolution." Thus, the use of tractors increased the level of wheat crops by one-third; the use of high-yielding strains increased it by 11-40 percent (depending on the area), the use of chemical fertilizers by an average of 20 percent and the application of fertilizers by 28-48 percent. However, these modern agrotechnical components were available to only the most prosperous countryside population. For example, initially banks granted loans for tractor purchases to owners of no less than 60 hectares of land, subsequently lowering the limit to 30 hectares (pp 202-219).<sup>2</sup> At the same time the authors study "regional dualism," by which they mean the sharp disparity in the income levels of the population of Western and Eastern Anatolia. The average income per worker in the large cities of Western Anatolia in 1973 (Istanbul, Ankara, Izmir) was 36,400 pounds per year, compared to 16,700 pounds in Eastern Anatolia, for which reason the poorest families (with an income of under 12,000 pounds) in these areas was respectively 14.0 and 53.6 percent, while that of the richest (in excess of 72,000 pounds) was 9.2 and 2.3 percent (p 117).

Other data of the studies conducted in 1973 emphasize the general backwardness of the Turkish countryside. Whatever criteria for a comparison between town and country sociologists M. Danielson and R. Keles may have applied, the advantages were always on the side of the cities, the large cities in particular. It was this along with landlessness that explains the migration of the rural population to industrial and administrative centers, which reached 650,000 people annually during the 1970s (p 271). The influx of migrants sharply raised demand for inexpensive housing in the towns, the big ones in particular, a demand which neither the state nor the private sector could meet. The migrants built their own gecekondu (literally "house built overnight"), which were inhabited by more than one-quarter of all urban residents by the end of the 1970s. Gradually the migrants improved and modernized their housing (although two-third of it lacked water and more than 40 percent had no electricity) (pp 272-274).

According to the authors, in the course of time most migrants find "employment" in the cities, including in the organized sector. Danielson and Keles write that the gecekondu is a transitional settlement in which the population becomes "incorporated in urban life" and trains itself for the "implementation of the industrialization program" (p 298). Although we agree with the view that the gecekondu is a transitional settlement from country to town, the following stipulation must be made: numerous studies have indicated that the rural way of life is repeated to a significant extent in gecekondu districts, for which reason the process of adaptation of the migrant to an urban way of life usually takes a long time and is frequently achieved by the second generation. However, it is entirely impossible to agree with the second part of the author's claim, for the overwhelming majority of the migrants find work not in industry but in the unorganized sector (this error may be due to the fact that the study of the urban economy in this work is obviously insufficient).

The data in the book show that a sufficiently clear correlation between enterprise size and average wage level may be traced in Turkey, although the established lag is relatively minor. In 1970 for example, wages at processing industry enterprises in the private sector, employing from 10 to 50 people, were 25 percent higher than at similar enterprises employing less than 10 workers, 20 percent lower than at enterprises employing between 50 and 100 people, and 30 percent lower than at large enterprises employing more than 100 workers (p 451). A similar ratio is characteristic of enterprises in other sectors as well, for two reasons: the large enterprises have a higher share of skilled workers, and the lower level of wages at small enterprises is influenced by the migration of unskilled manpower from rural areas, although the extent of this influence remains insufficiently studied (p 369).

Turkey allocates about 4 percent of the gross national product for the development of education and upgrading manpower skills. In terms of this indicator, as S. Ozgediz points out, it occupies a middle position among the developing countries. However, this amount is obviously inadequate for accomplishing a cultural revolution and supplying the national economy with domestic cadres. Ozgediz cites the example of Cuba, which allocates 12 percent of its GNP for such purposes, pointing out that "only this kind of allocation could yield tangible results" (p 515).

According to S. Aral, vertical mobility in the country is accomplished through education, country to town migration and emigration. He considers the educational system a very weak "social lift." However, he exaggerates the vertical effect of migration. Migrants from rural areas fill less the ranks of the working class than contribute to the tempestuous growth of the low marginal urban strata, which is accompanied by a deformation of the social structure. The result is that vertical mobility affects no more than an insignificant part of the migrants.

Naturally, a very high level of self-reproduction is maintained among the richest or more prestigious categories of the active population. Thus, 85.3 percent of the offspring of individuals in the liberal professions and

73.4 percent of the children of industrialists and wholesale merchants followed their fathers' footsteps (p 488). This level of self-reproduction is an indication of the closed and even corporate nature of the privileged strata in Turkish society.

According to K. Dervis and S. Robinson, the low vertical mobility is explained with the fact that the prosperous social groups try to maintain unequal distribution of the national income unchanged. According to the authors, the capitalists, who numbered 106,000 people or 1.5 percent of all families in 1973, earned 8.2 percent of the entire income; individuals in the liberal professions—27,700 people or 0.4 percent of the families—accounted for 2.1 percent; the 854,300 unskilled workers (12.5 percent of all families) accounted for 7.3 percent of the entire income and the 138,100 agriculture workers (2 percent of all families) accounted for 0.7 percent. As accurately indicated in the book, income disparities and the corresponding polarizing of society are increasing steadily (pp 100-101). Unfortunately, the authors merely note the existence of such negative trends but make no mention of ways to eliminate them.

The authors carefully ignore the problem of the connection between the "uneven income distribution" and increased social tension. Danielson and Keles are the only ones to point out, although greatly simplifying the matter, that toward the end of the 1970s "radicalism and violence appeared" "among left- and right-wing students," subsequently followed by some gecekondu inhabitants. Gradually, "radical political currents earned their highest support among the urban poor" (p 299), which was subsequently used as a reason for the coup d'etat. Like the other authors in the book, they fail to provide an overall assessment of the socioeconomic structure which periodically aggravates the sociopolitical situation and the violent change of government. However, the study of the uneven and unequal distribution of national income in Turkey may provide the key to understanding the political processes occurring in the country as well. At the same time, it would be erroneous to ignore the fact that the bourgeois scientists who study socially sensitive economic problems occasionally display a critical approach to the most important socioeconomic phenomena encountered by the young countries following a capitalist way of development. The book under review is convincing proof of this fact.

### FOOTNOTES

- The collection's authors include E. Ozbudun, A. Ulusan, S. Mardin, K. Dervis, S. Robinson, U. ERguder, C. Mann, M. Berk, M. Danielson, R. Keles, T. Kuran, M. Mumcuoglu, A. Aksoy, A. Oncu, S. Aral and S. Ozgediz.
- 2. As a rule, tractor owners are large landowners who cultivate the fields of middle and small peasant operations against a certain share of the crop. The book's authors, who ignore the exploitative nature of the "tractor owners" describe them as "sharecroppers" (p 202), thus distorting the social nature of this category of the agricultural population.
- 3. See. K. H. Karpat, "The Gecekondu: Rural Migration and Urbanization." New York, 1976, p 120.

COPYRIGHT: "Narody Azii i Afriki"

Glavnaya Redaktsiya vostochnoy literatury, 1984

5003

CSO: 1807/229

BOOK ON SUDANESE SOCIOECONOMIC PROBLEMS SINCE INDEPENDENCE REVIEWED

Moscow NARODY AZII I AFRIKI in Russian No 2, Mar-Apr 84 pp 213-215

[Review by N. K. Lebedev of the book "Sotsal'no-Ekonomicheskoye Razvitiye Sudana (Aktual'nyye Problemy)" [Socioeconomic Development of Sudan (Current Problems) by V. I. Gusarov. Izdatel'stvo Nauka Eastern Literature Chief Editorial Board, Moscow, 1983, 157 pp]

[Text] The topical social and economic problems of modern Sudan are analyzed in this monograph on the basis of extensive data. The author extensively characterizes the political situation in the country after it proclaimed its independence in 1956. This is justified, for the complex political evolution which has taken place in the Sudan over the past quarter of a century do not fail to affect its socioeconomic development. The author singles out three basic stages in the country's independent development consistent with the nature of political changes. The first covers the period from 1 January 1956, the day the country proclaimed its independence, to 25 May 1969, when a group of democratic military made a coup d'etat with the support of the progressive Sudanese social strata, known as the "May Revolution." The second stage lasted from May 1969 to July 1971. Finally, the third present stage began in July 1971.

V. I. Gusarov emphasizes that during the first stage of independent development the forms of political rule changes repeatedly, ranging from parliamentary democracy to military dictatorship, although their class foundation remained unchanged: the rule of the main exploiting classes—the national bourgeoisie and the feudal lords—was preserved. In describing this period, the author provides an expanded picture of the activities of the various right—wing parties, identifying their objective and class support. During that period the so-called "Sudanization" campaign was initiated in the country. Although under the conditions of a bourgeois rule "Sudanization" contributed to the development of state capitalism, it was supported by the progressive public, for it contributed to reducing the country's dependence on the domination of foreign capital by strengthening the positions of national capital.

However, the most favorable prerequisites for the true liberation of the country and for its advancement on the path of independent and political development appeared, as the author indicates, during the second stage after the victory of the May 1969 revolution. The country's new leadership, which initially relied on the revolutionary democratic forces, proclaimed its

intention to resolve the main problems through socialist changes. Members of the Sudanese Communist Party joined the government, the Revolutionary Council and the other governmental institutions. The domestic policy course charted by the new Sudanese leadership was aimed at the implementation of important reforms in the socioeconomic and political areas. However, the extensive nature of the progressive socioeconomic changes triggered the counteraction of the right-wing forces which feared a total loss of political and economic positions. Relying on external reactionary support, they intensified their pressure on the country's leadership and urged its petit bourgeois nucleus gradually to remove the representatives of progressive forces from the leading bodies. The unsuccessful attempt by a group of leftist officers to make a coup d'etat (17 July 1971) was actively used by the reaction in mounting a broad offensive against the communist party, the trade unions and other progressive organizations. It was on this basis that the rapprochement between the ruling petit bourgeois grant and the big national bourgeoisie was inten-This resulted in a new deployment of political and class forces which led to the evolution and degeneration of the petit bourgeois regime into a bourgeois-nationalistic system. The third stage in the development of Sudan began and socioeconomic policy changed drastically. The course of nationalization of industrial enterprises, progressive changes in agriculture and a socialist orientation was stopped. A campaign to discredit the state sector was mounted. A line was followed of encouraging private enterprise and restoring previously nationalized enterprises to their former owners.

The "open-door policy" which has been pursued since 1974 opened widely the Sudanese borders to foreign private capital. In 1981 the Sudanese authorities approved a bill granting such capital additional facilities. The policy of Western orientation led the country's economy into a profound financial and economic crisis. The country's financial bankruptcy has been postponed only thanks to money infusions by the West and some moderate Arab regimes, Saudi Arabia in particular. According to official data, Sudan's foreign debt had reached \$8 billion at the beginning of 1983. Over the past several years the country's monetary balance has shown a steady large deficit. There is growing inflation in the country, the rate of which, according to the International Labor Organization, is in excess of 50 percent. Declining industrial and agricultural output and the further worsening of the situation of the working people are inevitably aggravating the class struggle. Thus, the country's economic life was actually paralyzed in 1981 as a result of the strike by Sudanese railroad workers, involving more than 43,000 people.

A detailed description of the development of the political situation in the country helped V. I. Gusarov to describe the nature and specific features of the complex economic processes currently taking place in Sudan.

Initial efforts at state control of the country's socioeconomic development were made after Sudan gained its independence. However, the 10-year socioeconomic development plan which was drafted could not yield expected results due to Sudan's capitalist economy. The most favorable conditions for planned economic development appeared in Sudan, as the monograph points out, between 1969 and 1971. During that time a draft five-year plan for Sudanese socioeconomic development for 1970/71-1974/75 was drafted with the help of Soviet specialists.

The data cited by V. I. Gusarov on the assistance provided by the Soviet Union in the establishment and development of Sudan's national economy are of particular interest. In accordance with the 1961 and 1969 economic and technical cooperation agreements, with Soviet assistance Sudan built two vegetable and fruit canneries in Kerim and Wau, a dairy products cannery in Babanusa, an onion-drying plant in Kassala and two grain elevators in Port Sudan and Gedaref. The university hospital in Soba, built and furnished with modern medical equipment with the technical cooperation of the USSR, is very popular among the Sudanese. The Soviet Union also made a major contribution to the training of skilled national cadres for the Sudan and in geological surveys of Sudanese territory. It was not by the fault of the Soviet Union that the mutually profitable cooperation between the USSR and Sudan was curtailed.

A declining trend was noted in Sudan's economy starting with the mid-1970s. The general plan for the development of the Sudan between 1976 and the year 2,000, which was drafted by experts from the Arab Economic and Social Development Foundation together with Sudanese specialists, according to which Sudan was to become the "food pantry" of the Arab East, was also called in question. The 6-year plan for Sudan's economic development of 1977/78-1982/83 was to contribute partially to attaining such objectives. The author cites plan indicators characterizing the sources of financial support for this plan.

The monograph includes a study of the development of specific Sudanese economic sectors. The author notes that some positive changes have taken place during the period of the country's independence. Industry marked some progress, agricultural production increased, the share of the population employed in the production area was enlarged and the gross per capita national product increased. However, Sudan remains among the least developed countries in the world. According to the International Monetary Fund, as cited by the author, in 1981 Sudan was 17th among the poorest countries in the world. Factors such as backward production relations in the countryside, unsurveyed natural resources and an underdeveloped industrial and social infrastructure continue to exert an adverse effect on Sudan's economic development. New factors typical of the world capitalist economy have been added to the old ones inherited from British colonial rule: periodical structural crises, an aggravated food problem, higher inflation rates, etc.

The author describes extensively Sudan's energetic potential and concentrates on the understudied question of the socioeconomic aspect of the problem of Sudanese water resources. It is the first time that this question is being discussed in Soviet publications. In particular, the author clearly proves the role which the Aswan Dam plays in increasing Sudan's share in obtaining water from the Nile, which more than quintupled. In analyzing the problem of Sudan's water supplies, the author concludes that the rate at which the country's water supplies is growing is inconsistent with increased requirements and may, in the final account, lead to serious socioeconomic consequences.

A separate chapter in V. I. Gusarov's work deals with the social structure of Sudanese society. In analyzing available statistical data, the author

indicates that in 25 years of independent life substantial changes have taken place in the social structure. Within that time the peasant population and the intelligentsia doubled while that of the working class quintupled. The size of the exploiting classes increased—of the big and middle bourgeoisie and the petite bourgeoise in the towns and the kulaks in the country. The author's estimates of increased unemployment in the country are another confirmation of the intensified social inequality within Sudanese society. He justly concludes that the socioeconomic structure of the Sudanese population is a clear reflection of its development along the capitalist way while preserving vestiges of feudalism.

In summing up his study of Sudanese socioeconomic problems, the author notes that since independence the country's economy as a whole has experienced a certain development. However, the abandonment of progressive changes which were earmarked by the May Revolution and the course of one-sided Western orientation, which was adopted after 1971, have put Sudan's economy under the actual control of the multinational monopolies. The country has been unable to drop the capitalist economy over the past quarter of a century.

V. I. Gusarov's study is not free of some shortcomings. In our view, the question of the penetration of foreign capital in Sudan could have been covered in greater detail. A more detailed consideration of the question of Sudanese petroleum and the activities of foreign oil corporations, American in particular, in the Sudan could have been analyzed more extensively. These, however, are isolated cases. As a whole, the rich factual data gathered and aptly analyzed in the book will allow those interested in problems of the development of liberated countries to become more familiar with the problems characteristic of countries like Sudan, which who were unable to withstand the pressure of international imperialism and domestic reaction, retreated from a progressive orientation and once again took the path of capitalist development. In this respect V. I. Gusarov's monograph deserves special attention.

COPYRIGHT: "Narody Azii i Afrikii"

Glavnaya redaktsiya vostochnoy literatury, 1984.

5003

CSO: 1807/229 END